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Leaders React to Croat-Muslim Accord

AU0203184994 Paris AFP in English 1824 GMT 02 Mar 94

[Excerpts] Zagreb, March 2 (AFP)—Serb and Croat leaders showed a mixed reaction to the Moslem-Croat federation agreement Wednesday. Bosnian Moslems mainly welcomed it but others involved in the conflict doubted its viability and voiced fears it would either entrench an imperfect peace or prolong the war by allowing Moslems and Croats to join forces against the Serbs.

In Zagreb, Croat Government officials suggested the agreement was a "compromise" with an uncertain outlook.

Under the agreement, signed in Washington Tuesday by Bosnian Moslem and Croat leaders, the Bosnian federation will be composed of a number of cantons inhabited mainly by Bosnian Croats and Moslems. They will be granted equal national rights, with a central government in charge of foreign affairs, defense and trade.

"It is clear that the agreement is a compromise," Mate Granic, the Croatian foreign minister and a signatory of the accord told Croatia's government-controlled daily VECERNJI LIST.

In its editorial on the agreement, the paper said: "The vanquished in this affair are certainly the Croats.

"The Serbs will undoubtedly keep all their gains. And the Moslems will be saved from destruction in a state which is a lot closer to their idea of the homeland than the way the Croats think of it," the paper added.

Bosnian Serb leader Radovan Karadzic, who was not consulted in the talks, said in Moscow that he was "studying" the agreement but added that Serbians should have been involved. "We can welcome this agreement only if it is not aimed against Serbs. Only if it leads us to peace and not war," he said.

For the Bosnian Government, Gradimir Gojer, a Croatian and minister without portfolio in Sarajevo, said he now expected the United States to "put pressure on the Serb side, using the Russians" to get the Serbs to join the federation. "You can't reject the third nation who wants to live with us," he added.

Russia, which held talks with Karadzic Wednesday, said the accord was "a new turning point in the negotiations." Russian Deputy Foreign Minister Vitaly Churkin said that "if correctly applied it could play a positive role in the political settlement of the Bosnian conflict," the INTERFAX news agency reported. [passage omitted]

The strongest negative reaction came in Belgrade where Vladislav Jovanovic, the foreign minister of the rump Yugoslavia, warned that "the creation of a bloc, two parties against a third" would defeat the objective of peace.

Momcilo Krajisnik, the president of the self-styled Bosnian Serb parliament, told the Serbian Radio Novi Sad: "The Serbs will not accept a solution which harms the interests of the Serb people." [passage omitted]

In Sarajevo, Hafiz Ismet Spahic, the second highest cleric in Bosnia-Herzegovina's Moslem community, summed up the pragmatic nature of the agreement. "We have to live in marriage, even if we don't love each other. Our interests are much stronger than the fact that we are not in love," he said.

Owen, Stoltenberg Comment

AU0203170894 Paris AFP in English 1625 GMT 02 Mar 94

[Text] Rome, March 2 (AFP)—The latest peace initiatives on the Bosnian crisis are "encouraging" and could lead to a resumption of three-way talks in Geneva, UN peace negotiatior Thorvald Stoltenberg said here Wednesday.

"We are seeing some movement" from the various parties involved in the conflict, Stoltenberg said, referring to an agreement by the Serbs to reopen the airport in the besieged northeastern Bosnian town of Tuzla and to a Moslem-Croat accord to form a federation. He said these "developments could be important for further negotiations" and "prove it is absolutely necessary that the European Union, the United States and Russia cooperate on this difficult issue." Stoltenberg said he would soon be heading back to Geneva to monitor developments in Bosnia.

His counterpart for the European Union, Lord Owen, meanwhile said in Geneva that it would be unreasonable for Europe to feel sidelined because of the U.S.-brokered Moslem-Croat pact.

"I do not think it is sensible in Europe to feel any sense of anxiety, frustration or a feeling of being set aside. This is something that the European Union has been urging the United States to do as long as I remember," he told journalists.

Owen said: "In the first instance it seems that the most important thing to do is for the Americans to carry forward their initiative in the meetings that are planned to start on Friday in Vienna and are hoped to end on the 15th which is to tie down all the details of the Croat-Moslem federation and the wider confederation between Croatia and the federation."

The European negotiator said he felt it would be a "great mistake" to see this development as one "against the interest of the Bosnian Serbs."

Group Condemns 'Apartheid Regime' in Kosovo

AU0203180594 Tirana Radio Tirana Network in Albanian 1430 GMT 2 Mar 94

[Text] A statement issued by the Albanian Helsinki Committee states that, with the attack against cultural and scientific institutions, a new wave of violence has fallen on the Albanian population of Kosova. Such institutions as the Academy of Sciences and the Albanological Institute, which enjoy a high prestige that surpasses Kosova borders and have scored achievements that have been recognized outside the Albanian world, are now being threatened directly with closure by the repressive Serb power.

The statement says that the Albanian Helsinki Committee considers this a further escalation of the campaign against human rights and the individual and collective rights of the Albanian population that is systematically conducted by the Serbian authorities.

After the closure of Albanian schools, the suspension of Albanian television and radio programs, and the dismissal of dozens of thousands of employees on the only basis of being of Albanian national origin, this is a new measure that enters the framework of that alreadt known notorious plan, which aims to uproot the Albanian population, and isolate and segregate it to make its life unbearable on its ancient territories.

Increasingly, the Serbian regime in Kosova is assuming the features of an apartheid regime. By losing every feeling of responsibility, the Serbian authorities are not stopping their dangerous course that may lead the present crisis in Kosova into an open conflict in Serbian-Albanian relations and further terrible consequences for the overall peace in the region.

The statement ends adding that the Albanian Helsinki Committee regretfully makes this act known to the Vienna-based International Helsinki Federation and all the Helsinki committees that act in the name and defense of the great principles [words indistinct] of cooperation in Europe. The Committee also calls on them to raise their voice to denounce the escalation of repression in Kosova.

Court Issues Verdicts in Secrets Case

AU0103071194 Tirana TVSH Television Network in Albanian 1900 GMT 28 Feb 94

[Text] The Tirana District Court spokesman reports that the trial of Romeo Lici, Martin Leka, Bashkim Feta, and Aleksander Frangaj, charged with conspiring to reveal state secrets, defined by Articles 122 and 134 of the Penal Code, ended today. At the end of the trial, the judicial body decided as follows:

To declare the defendants Romeo Lici and Martin Leka guilty, charged with the criminal act of revealing state secrets, anticipated by Articles 122 and 13 of the Penal Code, and to sentence them to four years and 18 months imprisonment, respectively.

The defendant Bashkim Feta was declared guilty for the criminal act of having a careless attitude while on duty, anticipated by Article 108 of the Penal Code, and was convicted with the preimprisonment term.

Regarding Aleksander Frangaj, the court decided to suspend investigations for lack of elements of the crime motive.

'Spiteful Decision' Condemned

AU0203111094 Lezhe KOHA JONE in Albanian 1 Mar 94 p 2

[Editorial: "Journalist Martin Leka Sentenced to 18 Months Imprisonment"]

[Text] The newspaper KOHA JONE has paid a costly ransom to the state. Martin Leka was yesterday sentenced to 18 months imprisonment, while editor-in-chief Aleksander Frangaj left the courtroom not guilty. Officer Bashkim Feta's one month in detention was considered punishment enough and he was released, while Romeo Licaj, who provided the newspaper with the document that was considered secret, was sentenced to four years imprisonment. We have no reason for joy, and can only shed tears over this insult and humiliation. We have been humiliated because Martin Leka was pronounced guilty because of the coffees he drank with the officer Romeo Licaj, because of the car with the Lezhe license plate that brought the defense minister's document to the editorial office, and for working in the Lezhe bank alongside Romeo Licaj's wife.

Martin Leka did not return to the editorial office yesterday. He was sent to Tirana prison together with Romeo Licaj as an accomplice in revealing secrets. The court considered to be a secret the minister of defense's order for officers to hand in their personal weapons. According to a decree signed by Adil Carcani in 1982, the bench considered Safet Zhulali's order to be a state secret.

Presiding Judge Arben Ristani did not consider the defense's evidence, but pronounced Martin Leka guilty, considering him as having encouraged the revelation of a secret. The fact that Martin Leka drank coffee with Romeo Licaj cannot be either a legal or a logical argument, still less when Romeo Licaj denied having talked to Martin Leka about Zhulali's order. They might have talked about Zhulali's portrait or about NATO membership. However, the court did not prove this. We therefore say that Martin Leka was sentenced for unverifiable collaboration on the basis of speculation. It cannot be proved that Martin Leka encouraged Romeo Licaj to reveal the secret. We therefore feel insulted and humiliated by the court's spiteful decision, because Martin Leka's profession, to which he has devoted his life and for which he sacrificed his freedom, was ignored. He was

not tried as a journalist. Martin would have agreed to become a sacrificial lamb for the gods, if he could have believed that justice would thereby become a god for the Albanians. However, the facts are otherwise. Martin Leka's sentences show that for a long time yet the Albanians must mourn forcibly sacrificed lambs.

'Ominous' Outcome Criticized

AU0203124394 Tirana ALEANCA in Albanian 1 Mar 94 pp 1, 3

[Editorial: "A Brand of Shame on the Face of Justice"]

[Text] Yesterday's sensational trial ended with a verdict worthy of the deviousness of our rulers and their unprincipled sycophants. Aleksander Frangaj's's dose of prison was added to that of the journalist Martin Leka, while that of the serviceman Feta was added to that of the officer Romeo Licaj. Thus, the production plan was fulfilled in total, but not item by item.

This political and legal farce does not raise a smile. On the contrary, journalists and all citizens who honor, value, and are prepared to make sacrifices for free speech are downcast and indignant today. Martin Leka is the first Albanian journalist to be sentenced to prison. This is no longer a sign, but an ominous fact in itself for democracy. Leka was sentenced to 18 months' imprisonment simply because he bravely exercised his profession as journalist in order to inform the public about a true fact, on which he commented according to his own independent convictions.

Martin Leka is today a political prisoner and his persecutors have names and surnames. First among them is Defense Minister Safet Zhulali, this civilian who walks with head held high while successive scandals perch on his shoulders like a general's epaulets. The foot-soldiers of the state's judiciary are afraid to investigate the dollars lost by Zhulali, and are afraid to investigate the ship Sotirios. Zhulali makes his confession with his hand on his heart to a little German magazine, saying all kinds of things about the Albanian Army, and then has the shamelessness to demand the imprisonment of a journalist who has written about one of his orders. Zhulali has chosen his own road, but his career ended at the moment when he launched his attack on journalists and succeeded in sending one to prison.

The second is Arben Qeleshi, the Tirana procurator. This "unprincipled sycophant of Berisha's regime," as Martin Leka called him in his speech of defense, deserves the "credit" of having handcuffed a journalist in his office. It emerged at the trial that Qeleshi had no charge sheet. The defendants' counsel insisted at length on this legal point, but perhaps it did not occur to them that, in the mentality of sycophants, there is no need for charge sheets. A verbal order or a gnash of the teeth is enough to set them to work. Qeleshi threw Leka in jail, accusing him of slander. On this charge, the journalist languished in a cell for one month. Then came the day of the trial, and it emerged that there had been no slander, but a secret had been revealed. Normally, Qeleshi should be punished and dismissed for incompetence and malpractice, begging Martin Leka's pardon. But such miracles happen in an independent judiciary. Arben Qeleshi's friends changed the charge against Martin Leka and sentenced him in cold blood.

It was never for a moment demonstrated to the court that Zhulali's order constituted a secret. The list of secrets was never brought forward. On the contrary, it was not only proved that Zhulali's order was not a secret, but that it was also illegal.

It was not for a moment proved in court that the journalist Leka and the officer Licaj had "collaborated in a crime." The prosecutors and the judge considered the fact that they both lived in Lezhe and had several times drunk coffee together to be "collaboration in a crime." This is the logic of Svejk or, if you like, Qazim Mulleeti [Tirana humorist], forbidding people to meet in twos and threes.

The court did not prove Martin Leka's guilt, and could not do so as long as no crime existed. Arben Ristani, the judge at the trial, this young lad with a sleepy and contented expression, was invited in vain to take as his example the independence and dignity of American judges. However, Ristani decided this time that Martin Leka should be the suffering Socrates. Well, better that way than to sit like a satisfied pig.

Thus, Arben Ristani committed a fatal blunder in his just-begun career by sentencing a journalist for revealing secrets in a country with political pluralism. He put a bad mark against his name in the book of justice that we want to write. One is genuinely sorry. That is all. As for those who imagine that this sentence has taught the press a lesson, whether Ristani himself or his political and nonpolitical bosses, let them not rejoice too soon. There is no stopping or scaring the press.

The sentencing of Martin Leka is a mark of shame on the face of Albanian justice that, as in the time of the single-party dictatorship, has capitulated under democracy to the instructions, pressures, and unbridled appetites of the political establishment, striking with an iron fist against the free press and against young journalists who do not dance to the tune of moldy minds that govern as if in the days of Enver.

The journalist's sentencing is therefore a serious indictment of the political regime today and of the demagogy and cynicism of a state that, on the one hand, shouts about human rights and freedom of the press and, on the other hand, complains about journalists' irresponsibility in revealing in free elections, while there will no doubt be a court of justice for those who have personally committed crimes.

Martin Leka has today been sentenced. The Albanian press has suffered a serious blow to its freedom of conscience, which we feel with pain and in a spirit of solidarity with our handcuffed colleague. However,

nobody must imagine that the press will be frightened and cowed. Confronted with such shamelessness, free newspapers and journalists know only the motto: "Fight for the truth." It is with this motto that journalists see off to prison their colleague Martin Leka, this young journalist who with his good sense, courage, and wisdom, has unexpectedly become the symbol of a free press.

Ministry Warns Against 'Illegal Gatherings'

AU0203182394 Tirana Radio Tirana Network in Albanian 1430 GMT 2 Mar 94

[Text] The Public Order Ministry spokesman reports that various political left-extermist forces continuously call for and incite illegal gatherings through their newspapers, particularly the Socialist Party with ZERI I POPULLIT. Such calls have increased greatly recently, on the eve of the trial of Fatos Nano, Ramiz Alia, and other blocmen.

The Public Order Ministry reports that it will act with the force of law against anyone who seeks to exert pressure on Albanian justice, which has an independent and inviolable power. At the same time, it undertakes to guarantee order, calm, and stability for the organs of justice, so that they can develop their legal activity as normally as possible.

The Public Order Ministry warns all violators, whoever they are, that they will be responsible before the law.

Socialist Party Backs Early Elections, Nano

AU0303070594 Tirana TVSH Television Network in Albanian 1900 GMT 2 Mar 94

[Text] The Socialist Party [PS] Managing Committee of Tirana city organized a meeting last night at the Asllan Rusi Sports Palace. Let us follow the report by correspondent Armir Shkurti.

[Shkurti] At the beginning of this meeting, Luan Shahollari, chairman of the PS Managing Committee for Tirana, said that the meeting was organized to detail the questions set forward in the party's second national conference as well as to protest against the violation of basic human rights and freedoms. Mr. Shahollari stated that the PS second conference decided on a new political solution—to hold new, early elections. Among the main questions treated in the second conference, the speaker selected the establishment of a social market economy instead of a free market, the attitude toward the national question, and the PS's international stance as a branch of the European left.

At the end of his speech, Mr. Shahollari considered the solitary confinement of former Prime Minister Fatos Nano by the court to be unjust and requested his release.

PS Deputy Chairman Servet Pellumbi mentioned once again early elections as a new political solution. Mr. Pellumbi called on the PS to be a force capable of stepping up the democratic processes. That is why he requested it to listen more to the voice of the opposition and practice political dialogue. Mr. Pellumbi also considered the arrest of former Premier Fatos Nano to be unjust and asked his immediate release. Later, the meeting focused only on the demand to release former Prime minister Fatos Nano.

Mr. Namik Dokle mentioned documents and messages of international institutions in support of Nano.

At the end of the meeting, a protest addressed to the highest institutions of the Albanian state and to international organizations was read. In the name of the PS members and sympathizers in the city, the protest considered the arrest of former Prime Minister Nano unfair. At the end, the protest declared that the PS members and sympathizers in the capital will continue to protest this case with all democratic ways and means.

FRY Envoy on FYROM, Other Issues

AU0203155194 Sofia KONTINENT in Bulgarian 28 Feb 94 p 7

[Interview with FRY Ambassador to Bulgaria Rados Smilkovic by Plamen Kulinski; place and date not given: "Relations Between Sofia and Belgrade Are Good, But Not What They Could and Should Be"]

[Excerpts] [Kulinski] Mr. Ambassador, how do you assess the latest developments in the situation in Sarajevo following the NATO ultimatum? Do you agree with the calls made by certain Western politicians and by Ankara that one should also proceed along the same path to settle the problems in other disputed enclaves in Bosnia?

[Smilkovic] I used to explain to my students that the NATO pact was a military factor in the tragic balance of fear during the years of the cold war. Now the eastern bloc has disappeared, together with its bastion—the Warsaw Pact, thus making NATO superfluous. Accordingly, NATO is now seeking a new role, so as to prove that it is still needed. It was scared by the end of the civil war in the Balkans, so it launched a campaign with its most terrible weapons against the Serbs to make it impossible for them to conclude a peace treaty. Knowing that the Serbs are a proud and brave nation, it issued an ultimatum to them to pull out of Sarajevo and leave their compatriots defenseless. NATO knew that the Serbs cannot accept such a solution, just as they rejected it in 1941 and rose to arms to help their allies—Great Britain, France, America, and Russia.

Yet again, in this century, Russia is saving Europe from its own evil by returning to the labyrinths of the Balkans to establish order by force. On behalf of Russia, President Yeltsin appealed to the Serbs in Bosnia to withdraw their heavy weapons from the territory of Sarajevo and allow Russian blue helmets to take over peacekeeping in this region. Europe has been saved from being plunged into a new war without borders.

It will be bad it they attempt to act in a similar way in future, if other states, especially Turkey, join in the conflict. The warring parties in Bosnia-Herzegovina must be given the chance of achieving peace themselves by peaceful means. When, in the past, others separated them [the warring parties], as certain of our former allies are attempting to do now, peace was always pushed further away. It does not become democratic Europe to establish a new world order by air strikes. Those who speak on behalf of the old Europe should know that "blood is the wrong food for men." [passage omitted]

[Kulinski] Is the idea still alive that the Macedonians are "southern Serbs?"

[Smilkovic] Ideas do not die; they are realized, disappear into history, or are forgotten. As regards the expression "southern Serbs," it was not invented. From the time of their arrival in the Balkan peninsula, most of the Serbs lived in compact groups in the southern part of the peninsula. Their centuries-long sense of statehood and spirituality are tied up with these territories, monasteries, schools, hospitals, and graveyards. Although they are now destroyed and neglected, they continue to serve as a living proof, Apart from this, it is well-known that, in medieval times, Skopje was the capital of the most powerful Serbian rulers.

As regards the Macedonians, in the Serbian perception, they are a separate fraternal Slavonic nation that lives in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], where Serbs, Bulgarians, and other nationalities also live. In former Yugoslavia, this fact was suppressed and never mentioned. The Serbs also disregarded it in the socialist period, so as to demonstrate greater broad- mindedness toward the other peoples, especially the Macedonians. Unfortunately, some questions relating to the position of the Serbs in Macedonia are still not resolved, and for this reason various sides are misusing them in their everyday politics. What is worst of all, the same thing is also being done by those who are working from outside to poison the relations between the peoples in Bosnia-Herzegovina. [passage omitted]

[Kulinski] The Bulgarians in Serbia are also suffering privations at the present. There is apprehension that political pressure is being applied to them to make the Bulgarian population forget their national identity. How well-founded are these claims?

[Smilkovic] The population is finding it difficult to live in Montenegro as well as Serbia. All share this same fate, including the Bulgarian national minority. The sanctions were imposed against the citizens of Yugoslavia, irrespective of their national affiliation. The Bulgarian minority is finding it a little easier to bear the sanctions than the others, partly because of the humanitarian aid that is sent directly from Bulgaria, and partly due to the other benefits that living close to the border in such circumstances provides.

There are no grounds for concern whether the Bulgarians in the FRY can preserve their national identity. They enjoy all the rights that the other citizens possess, and have every opportunity to express their Bulgarian nationality in education, culture, and other field of life. The best example is Dimitrovgrad Municipality: There one in every three citizens has a job. Although 52 percent of the population of the municipality are Bulgarians, there are very few non-Bulgarians occupying municipal posts or directorships of enterprises. Although there are about 25,000 Bulgarians in Yugoslavia, you can find them in the highest posts in the economic sector and state administration. In Serbia, each deputy represents on average 50,000 electors, yet a Bulgarian is a deputy in the Serbian Skupshtina, even though the Bulgarians only have one-third of the necessary votes. The Bulgarians in Serbia are clever people and are against living in the ghetto that individual chauvinist nationalists want to drive them into. The length to which their so-called "champions" are prepared to go is simply ludicrous. I recently read somewhere that they [Bulgarians in Serbia] are deprived of their own language even in the churches in

Serbia. If one follows this logic, the Serbs are threatened as well, because the language used in religion is Church Slavonic. It is not good to claim, in these bad times that the Serbian people are experiencing, that the Bulgarian minority is threatened in the Serbian state. I have yet to read in the press here that Bulgarians living as a minority in any other land have greater rights than in Serbia and are more satisfied with their lives. I will not raise any other issues, because I do not want to create difficulties for our Bulgarian brothers; it is quite enough that others are making difficulties for them.

[Kulinski] How do you assess relations between Sofia and Belgrade?

[Smilkovic] Our relations are good, but not what they could and should be between two neighboring states and peoples. There is a widespread view and feeling among the people of Yugoslavia, especially in Serbia, that compared with similar situations that have arisen during this century—this is already the third blockade of Serbia, relations between Bulgarians and Serbs have never been better. The statements by Bulgarian leaders and citizens protesting against the air strikes on the Serbian positions in Sarajevo and calling for peace talks to end the war had a good reception. The rally in Sofia was regarded in both the Yugoslav republics as the voice of reason, as a warning to the gods of war. The links between our two peoples are very deep, because we have been living side by side from time immemorial. They cannot be severed by any blockades. Since cooperation and dialogue has not been broken off among the people, it should not cease between our leaderships either. The country of Yugoslavia is open to any kind of democratic dialogue and cooperation, and I am here to help in ensuring that our cooperation is intensive and fruitful. [passage omitted]

Ministry Forbids Sale of Gas Masks to Croatia

AU0203134394 Prague MLADA FRONTA DNES in Czech 1 Mar 94 p 2

[Article by Jaroslav Kmenta: "The United Nations Is Concerned That Czech Masks Might Be Used by the Croatian Army"]

[Text] Prague—The UN Sanctions Committee expressed its concerns that the gas masks that the Zubri Rubber Works wanted to export to Croatia could ultimately be used by the Army. The Croatian Ministry of Labor and Social Affairs stated in the purchase request that most of the masks are intended for firemen and a smaller number for the civilian population.

Dlouhy's Ministry of Industry and Trade originally consulted on the sale with the Foreign Ministry, which, in turn, submitted the request for assessment to the appropriate UN committee. Acting on its recommendation, the License Administration of the Ministry of Industry and Trade has not granted the Zubri Rubber Works the required export license.

A diplomatic official who does not wish to be named for fear of difficulties at work told MLADA FRONTA DNES yesterday that, although the Czech Republic and Croatia were to be trading partners, the actual initiator of the contact was a certain Slovak firm that mediated this deal for the Zubri Rubber Works. The rubber works would have received almost 45 million korunas for the sale of the gas masks to Croatia.

Klaus on Newspaper Interview, Jewish Restitution

AU0103135194 Prague LIDOVE NOVINY in Czech 23 Feb 94 pp 1, 3

[Interview with Prime Minister Vaclav Klaus by Viktor Krejci; place and date not given: "The Issue Did Not Involve Individual Sudeten German Claims"]

[Text] [Krejci] You allegedly said in an interview for FRANKFURTER ALLGEMEINE ZEITUNG that negotiations on claims by Sudeten Germans for compensation should be held not on the basis of the collective principle but individually.

[Klaus] Not a word was said in my interview for this newspaper about compensation for individual Sudeten Germans. The issue does not involve compensation, but resolving this issue. These are two completely different things. I proceeded from the premise that, in harmony with our concept for individual rights, we do not like to hear ideas about collective rights and solutions. If, however, this or that German—I do not say Sudeten German on purpose—shows an interest in moving to the Czech Republic, settling here, and acquiring state citizenship, then that is in order. This is exactly what we have always said; I was merely making a distinction between collective and individual solutions.

[Krejci] So, you did not discuss claims?

[Klaus] Not a word was said about claims. This newspaper is one of those publications that does not publish interviews on principle. A journalist records an interview with someone, then writes an article based on it and places quotations from what he said between quotation marks. The interviewee does not have the slightest opportunity, however, to influence their order or choice. I refrain from such interviews-non-interviews and I only give them to journalists that I know and trust, which applies in the case of FRANKFURTER ALLGEMEINE ZEITUNG. I think that the article published in this newspaper gave a faithful account of the essence of our conversation.

[Krejci] The Civic Democratic Party [ODS] Executive Council has entrusted you with holding talks with the representatives of the Jewish communities. Why?

[Klaus] The Civic Democratic Party cannot countenance the accusations being made against it by certain political entities for allegedly not respecting Jewish traditions or the suffering of the Jews during World War II. We cannot condone this offensive, deliberate, and calculated tactic.

[Krejci] How do you assess the behavior of your coalition partners during the parliamentary vote on the property belonging to the Jewish communities?

[Klaus] In my opinion, this was trivial. If someone leaves the chamber because, by chance, his view does not prevail, his is not the practice of normal political life. Several votes have been held in the government on this draft, and I have to say that I have not always won. The government's point of view on the draft for this law was not exactly what I would have wished; despite this, I did not make the proceedings impossible, and I did not walk out. I would ask other people not act like this.

[Krejci] What do you expect from the ODS Commission that has been charged with looking into the possibility of resolving the issue of Jewish property on the basis of a government decision?

[Klaus] There is a strong view within the government, which I like, according to which this issue could be resolved outside the law, simply by an executive decision on returning the property in state ownership. At the same time, the communities would be asked to consider doing the same thing. The ODS Executive Committee would be pleased if this path were embarked upon. This means finding the right method, and the free transfer could take place.

[Krejci] Will this solution be acceptable to the coalition partners?

[Klaus] I do not envisage that the coalition partners would want to block the issue of returning Jewish property.

[Krejci] Should this method also be applied in the case of church property?

[Klaus] If this were to turn out to be a quick and viable method, I would not have anything against it.

Deputy Foreign Minister on Current Issues

AU0203212894 Prague DENNI TELEGRAF in Czech 28 Feb 94 p 3

[Interview with Deputy Foreign Minister Pavel Bratinka by Kristian Chalupa in Brno on 26 February: "The Middle East Peace Process Has Not Ended"]

[Text] Pavel Bratinka, Civic Democratic Alliance [ODA] deputy chairman and deputy foreign minister, took part in the meeting of the ODA Central Assembly in Brno on Saturday [26 February]. We took the opportunity to ask him for a brief interview.

[Chalupa] Ivan Mjartan, Slovak ambassador to the Czech Republic, described, in an interview for our newspaper, Czech-Slovak relations as being very favorable. Do you identify with this view?

[Bratinka] Of course, relations between the Czech and Slovak Republics are good, but they could be better. After all, the economies of the two states are more dependent on each other and, for this reason, there should be as few problems as possible in mutual trade. It is obvious that there will be certain problems; we have to work to get rid of them.

[Chalupa] Communist Party of Bohemia and Moravia Central Committee Chairman Grebenicek declared at a recent news conference that pressure from various groups abroad is behind the various approaches in the government coalition to resolving the Bosnian crisis....

[Bratinka] If someone were to say that different states have different interests, it would be the truth—the banal truth. However, I steadfastly reject any suggestion that a struggle among various foreign power-wielding groups is taking place in the government.

[Chalupa] Your ministry is preparing a draft government decree that should make it easier for individual compatriots to resettle in the Czech Republic. This decree should also concern the Kazakh Czechs. When will this matter be discussed in the government?

[Bratinka] This decree is being prepared by the Interior Ministry, and we should merely add our comments. I cannot tell you at the moment when this will come onto the government's agenda; this is within the jurisdiction of the Prime Minister's Office and the prime minister himself. The question is whether these people should be given, without bureaucratic holdups, permanent residency permits, at least for the first phase. The Foreign Ministry is monitoring the situation in Kazakhstan; we can add our points of view. If people are to be resettled, then, of course, our diplomats and our representative offices will be very active in this matter.

[Chalupa] What do you think of the chances for the recently initiated Middle East peace process following the bloody massacre in Hebron?

[Bratinka] The peace process was initiated because logic was moving in this direction. Although it will be slowed down or in a way impaired, the overall headway and the overall direction and aim will be maintained. This is a matter of reason, a matter that, the longer it is postponed, the greater the risk of such murderous behavior on both sides. This massacre highlights the need for a definitive solution. I do not think that the Middle East peace process has ended.

Left Bloc: ODS Trying To Control Senate

AU0203213094 Prague LIDOVE NOVINY in Czech 28 Feb 94 p 3

[Interview with Jaroslav Ortman, chairman of the Left Bloc Deputies Club, by Jana Sprunkova and Jan Stetka; place and date not given: "The ODS Is Attempting To Control the Senate"]

[Text] *Jaroslav Ortman, chairman of the Left Bloc Deputies' Club, is concerned that, through the currently drafted laws on elections to the Senate, Chamber of Deputies, and local administration, the government coalition parties intend to reinforce their power and throw the present opposition out of the game. Therefore, LIDOVE NOVINY asked Ortman several questions.*

[LIDOVE NOVINY] What is the reason for your concern?

[Ortman] I believe that the Civic Democratic Party [ODS], which advocates the one-seat wards for the Senate elections, wants to assume complete control over this body. It depends on its unrivalled position confirmed by public opinion surveys. If other parties of the coalition want to work their way into the Senate, they must endorse the three-seat alternative—namely, if a joint slate of the coalition parties is not established, the Civic Democratic Alliance, the Christian and Democratic Union-Czechoslovak People's Party, and the Christian Democratic Party have no chance of having senators.

[LIDOVE NOVINY] Is the position of the opposition parties any different?

[Ortman] In the example of the one-seat wards, the opposition would also remain without senators. The clash over the number of seats, however, will be a bone of contention for most of the coalition parties.

[LIDOVE NOVINY] Are you in favor of introducing candidate deposits in the elections?

[Ortman] The deposits contradict Article 18 of the Czech Constitution on the principle of equality. Our state abandoned property censuses with the fall of the Austro-Hungarian Empire. Property censuses do not belong in modern legal systems. If 20,000 korunas per candidate is

being considered now, this amount over time could climb to a million, and then it certainly would be discriminating. The censuses principle is a catch placed like a time bomb in the election law.

[LIDOVE NOVINY] Are you worried about the reduced number of local administration members following the local elections? The government has proposed a reduction by as much as one-half.

[Ortman] Imagine that small communities would have just three aldermen who must choose one of them to be the mayor, whether the communal property is to be released, some cultural object is to be sold, etc. In a town with a population of tens of thousands, there might be just seven aldermen. These people would concentrate in their hands an unbelievable power. For the coalition parties, I would use the slogan "Oh Lord, how low I have sunk." Just to fill their slates, they are willing to sacrifice the number of members of the administrations. In principle, the status quo should be preserved.

[LIDOVE NOVINY] It is well known that the Left Bloc deputies would best like it if the Senate were removed from the Constitution. Do you not believe it occasionally necessary that the poor laws adopted by parliament be caught in time by the Senate and thus prevent unnecessary amendments?

[Ortman] The Senate would really play the role of a guard dog. We have, however, other insurances—namely, the president with the power to return the laws and the Constitutional Court. The poor laws are, above all, the result of hasty and inferior work in parliamentary committees. In this respect, the decisive factor is the composition of the Constitutional and Legal Affairs Committee, the present expert knowledge of which does not provide any guarantee of quality. Some parties even assigned people who are not lawyers to this committee.

Interior Ministry Refuses To Register New Party

LD0203151894 Prague Radiozurnal Radio Network in Czech 1300 GMT 2 Mar 94

[Text] The Interior Ministry has turned down the application for the registration of a new right-wing party, the Democratic Union [Demokraticka Unie]. Milah Hulik, member of the preparatory committee, said that the application was turned down because only 700 out of a total of 1,570 signatures supplied were accepted. The law requires at least 1,000 signatures for a political party to be registered. Allegedly, another reason for the decision was certain unusual features in the Democratic Union's program.

Milan Hulik was hopeful that the reasons for turning down the application would be removed and that the new right-wing party would be registered as soon as possible.

Cabinet on Granting Temelin Station Guarantees

LD0203183594 Prague Radiozurnal Radio Network in Czech 1600 GMT 2 Mar 94

[Article by Jitka Kucerova on 2 March cabinet meeting]

[Text] According to Prime Minister Vaclav Klaus, the Cabinet has discussed granting the Exim Bank guarantees for the completion of the building of Temelin nuclear power station. The Czech side has received a report that this problem was discussed yesterday between the Austrian ambassador and the president of the bank and some U.S. senators. Vaclav Klaus stressed that the government is following all of the activities of the Austrian side closely; he said he assumes that Austria's negative attitude will not be accepted, and guarantees will be dealt with positively in the congressional debate on 10 March.

The government also accepted a report on the situation of the customs union. Vaclav Klaus said:

[Begin Klaus recording] The Czech Government is apprehensive about the latest development. It is aware of the complexity of the situation on the Slovak side. Nevertheless, it interprets the debates on certificates, norms, and so on as finer forms of protectionism, and we consider this an unfortunate infringement of the current practice and style of foreign trade relations. [end recording]

Government Issues 1993 Trade Statistics

AU0203131594 Prague HOSPODARSKE NOVINY in Czech 14 Feb 94 p 7

[Czech Statistical Office report: "Foreign Trade of the Czech Republic Developed Successfully in 1993"]

[Text] The trade balance ended with a surplus of 5.9 billion korunas [Kc], while changes in the territorial structure continued, particularly as a result of the Slovak Republic becoming a foreign trading partner. Firms that used to deal with Slovak enterprises had to start using customs documents and transfer from domestic to foreign trading relations. Changes also continued in the structure of imports and exports according to the individual categories of goods. The share of fuels and raw materials in imports declined in comparison with the preceding year. The share of machines and vehicles in exports increased. While import prices declined, export prices rose, and real trade relations developed favorably.

If we do not include trade with Slovakia, for which there are no 1992 data, in comparison with the preceding year, exports grew faster than imports in 1993. While exports grew by 20 percent, imports rose by only 2.7 percent. The volume of foreign trade increased by 10.6 percent.

The total value of imports, including imports from Slovakia, reached Kc366.4 billion, and the total value of exports, including exports to Slovakia, amounted to Kc372.3 billion. The trade balance was in surplus each

month until May, there was a small deficit in June, and this trend continued in July as the deficit grew. Then there was a surplus in August, September, and October, while the balance showed a deficit again in November and December.

From the territorial vantage point, the share of the total foreign trade turnover (including trade with Slovakia, which is responsible for 18.9 percent of the total) with states with an advanced market economy amounted to 58 percent (European Union [EU] states 43 percent and EFTA [European Free Trade Association] countries 10.4 percent), the former Soviet Union to 8.7 percent, developing countries 6.8 percent, European states with transitional economies (except for the former USSR) 6.1 percent, and states with a state trade system 1.5 percent.

According to preliminary calculations, in January to November 1993, import prices declined by 1.1 percent in comparison with the same period of the preceding year, and the physical volume of imports rose by more than 17 percent. Export prices rose by 2 percent, while the physical volume of exports rose by 15 percent. Real trade relations reached a value of 103.1 points.

In trade with the Slovak Republic, imports reached Kc65 billion in 1993, and exports Kc74.6 billion. The trade surplus amounted to Kc9.6 billion. Industrial goods were dominant in the exchange of goods and raw materials, with 33.8 percent of total imports and 26.3 percent of total exports, and machines and vehicles, with 23.8 percent of total imports and 25.9 percent of total exports.

Imports from countries with an advanced market economy rose by 7.5 percent in 1993 in comparison with the preceding year, and exports to these countries by 24.2 percent. The trade balance was in deficit to the tune of Kc12.1 billion, but there was a surplus of Kc7.5 billion in trade with EU countries. Trade with the EFTA countries resulted in a deficit of Kc12.0 billion. The single most important trading partner among these countries was the FRG, with a 26 percent share of the total turnover of Czech foreign trade, followed by Austria (6.9 percent) and Italy (4.9 percent). Imports were dominated by machines and vehicles, which made up almost half of all goods and materials; exports by industrial goods with a 31.9 percent share of the total. Trade with the OECD countries also flourished. Imports from these countries reached Kc209.9 billion, increasing by 7.5 percent in comparison with the preceding year; exports amounted to Kc200 billion and increased by 24.1 percent. The trade showed a deficit of Kc9.9 billion.

Imports from the developing countries increased by 8.7 percent and exports to this region by 29.2 percent, in comparison with 1992. The trade surplus amounted to Kc13.5 billion. Almost 30 percent of imports were food and livestock, and 35.6 percent were machines and vehicles. About 45 percent of exports were machines and vehicles, and, at almost 38 percent, the industrial goods share was also high. The so-called Asian tigers (Taiwan, Hong Kong, South Korea, Singapore, and Malaysia) have become interesting partners. They contributed only 2 percent to the total volume of Czech foreign trade, but the exchange of goods with these countries is growing fast. Imports increased by 38.9 percent and exports by 65.8 percent, in comparison with 1992.

Imports from the European states with transitional economies, excluding the former Soviet Union, increased by 4.6 percent, while exports declined by 11.9 percent. The trade surplus amounted to Kc8.5 billion. The largest trading partner in this group was Poland, with a 2.7-percent share of total foreign trade, and Hungary, with 1.7 percent. The Czech Republic mostly exported industrial goods to these countries (31 percent of total exports) and machines and vehicles (24.3 percent). Approximately 20 percent of total imports were mineral fuels, lubricants, and related products, industrial goods, machines, and vehicles.

The trade surplus achieved with states with the state trade system—the Democratic People's Republic of Korea, Laos, China, Cuba, Vietnam, Mongolia—amounted to Kc6.3 billion. The volume of imports from these countries was 32.6 percent higher than in 1992, and exports almost tripled. Dominant in imports were various finished products, with 50 percent of the total; in exports it was industrial goods, with 55.5 percent of the total, and machines and vehicles, with 43.8 percent.

Imports from the former Soviet Union steadily declined to 80.1 percent of the 1992 volume. Exports remained approximately at the level of the preceding year. The trade deficit amounted to Kc19.8 billion. In the structure of imports, according to the category of goods, imports of mineral fuels, lubricants, and related products were dominant because crude oil and natural gas are in this category, which accounted for 71 percent of the total. The largest category of exported goods was machines and vehicles (45 percent). The same share of exports, approximately 15 percent, was taken by food, livestock, and industrial goods.

In the structure of imports, according to categories of goods, the share of imports of mineral fuels, lubricants, and related products declined in 1993 in comparison with the preceding year by 3.1 percent to 12.4 percent of total imports. In 1993, 5.6 million tonnes of oil were imported (7 million tonnes in 1992) and 7 billion cubic meters (6.8 billion) of natural gas. The share of imported machines and vehicles also declined by 3.1 percent, to 38.4 percent. The share of imported finished products of all kinds increased by 2.7 percent to 12 percent, industrial goods by 1.8 percent to 12.1 percent, and chemicals by 1.7 percent to 11.5 percent.

The structure of exports according to categories of goods was characterized in 1993, as compared with 1992, by the growing share of machines and vehicles (by 2.4 percent), which reached 27.8 percent of total exports. On the other hand, the share of food and livestock declined by 2 percent to 6.1 percent. The export share of the most important category of goods, industrial products (at 31.9 percent of total exports), marginally declined.

Dlouhy: No Guarantees for Commercial Projects

AU0203144494 Prague DENNI TELEGRAF in Czech 28 Feb 94 p 3

[CTK report: "V. Dlouhy: Guarantees Are a Matter for the Banks and the Insurance Companies"]

[Text] Prague—Representatives of the major manufacturers agreed on yesterday's Debata [Debate] television program that large industrial projects cannot be implemented without state guarantees. Trade and Industry Minister Vladimir Dlouhy said in response to this that commercial projects cannot be guaranteed by the state but, rather, on the basis of guarantee and insurance companies such as EGAP [Enterprise Guarantee and Insurance Program] or by the banks.

Skoda Plzen Director General Lubomir Soudek referred to the small number of Czech banks that are actually recognized throughout the world as guarantors. Dlouhy described the absence of bankruptcies as a negative influence on the Czech Republic's economy. He added, however, that certain structural changes are taking place in the enterprise sphere. National Property Fund Chairman T. Jezek said that some firms are indeed folding, but this happens more often by means of liquidation than by bankruptcy. Dlouhy also expressed himself in favor of a smaller percentage of industry in the Czech Republic's overall economy, a change in the structure of the industry sphere, and also greater efficiency in industrial output. In 1991, industrial output declined by 22 percent, compared with 1990. It declined by 10.6 percent in 1992, compared with 1991, and, last year, the industrial sector declined by 5 percent.

Romanian Prime Minister Begins One-Day Visit

AU0303124194 Bucharest Radio Romania Network in Romanian 1100 GMT 3 Mar 94

[Text] Romanian Prime Minister Nicolae Vacaroiu, heading a Romanian government delegation, has begun a one-day official visit in Bratislava at the invitation of his Slovak counterpart Vladimir Meciar. At this hour the two delegations, headed by the Slovak and the Romanian prime ministers, are holding a first round of talks, our correspondent, Pavel Mocanu, reports.

Today at 1030, at the headquarters of Slovakia's Council of Ministers, the Romanian guests were received by Prime Minister Meciar, Jozef Prokes, deputy chairman of the Council of Ministers, and other members of the government. The agenda of the visit also includes meetings with Slovak President Michal Kovac and Parliament Speaker Ivan Gasparovic.

Following the conclusion of their talks, the two prime ministers are to sign a memorandum on the liberalization of commercial ties between Romania and Slovakia and accords on the avoidance of double taxation and the mutual promotion and protection of investments.

Flying over the territory of Hungary, Vacaroiu sent a telegram to his Hungarian counterpart, Boross, cordially greeting him and wishing prosperity for the Hungarian people.

Deputy Prime Minister Kovac Interviewed

LD0203153894 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 2 Mar 94

[Excerpts] We have learned from well-informed circles that President of the Republic Michal Kovac has accepted the resignation of Deputy Prime Minister Roman Kovac. Although TA SR [News Agency of the Slovak Republic] has not issued this report yet, the secretariat of Roman Kovac confirmed it. Ludmila Bulakova interviews Roman Kovac:

[Bulakova] If someone is leaving office, it is appropriate to clear the desk. You can attempt symbolically to do something similar by clarifying some questions connected with your post as deputy prime minister. Many have been surprised by your rebelliousness—you have always been considered in general as a soft person who has been brought into the world of big politics by Vladimir Meciar. That is why some hold it against you that you publicly stood up against his line. Such practice is foreign to advanced democracies. [passage omitted] What was the famous last straw that broke the camel's back?

[Kovac] I think it was the meeting with the deputies (in Plachtincie) where it was quite clear that we had slowly lost the ability to persuade people about the strengths of our policy. [passage indistinct]

[Bulakova] I will revert to your open stand against the official line of the prime minister because your former party colleague and former ambassador to Austria, Rudolf Filkus, also began by criticizing the government policy as an official party representative. That met, at that time, with a controversial assessment, not only in the camp of the commentators but also among politicians. It is not a habit in the European countries, which we would like to join, for an official representative of the government to criticize its policy. Resignation first and then criticism is considered a better way. You, despite the aforementioned experience with Rudolf Filkus, chose the opposite direction. Why?

[Kovac] I should like to correct this. My stand did not result in any fundamental criticism of the work of the government. I criticized the political situation into which the government had gotten—that is the crisis in parliament or simply the will of the parliament to pass important bills—that is the cooperation of the parties, or possible cooperation of political entities proved untenable. And, together with the deputies, we proposed a certain solution that, I admit, was a very untraditional solution but could have calmed the political situation temporarily. I indeed thought it would create a government of experts, which would have bridged a certain period up to the early elections. The early elections would have cleared the political scene. This proposal could have been reasonable from Slovakia's point of view, not from the viewpoint of the Movement for a Democratic Slovakia [HZDS], not from the point of view of the existing government, but from the point of view of Slovakia.

[Bulakova] The prime minister says about you that you have betrayed not only him but also the movement by having discussions behind his back not only with the opposition political parties but also with the president. There even was a rumor that you were a candidate for the future prime minister of the temporary government.

[Kovac] I have stressed many times that the proposal we came up with was not a traditional one, and, naturally, it had to be discussed. In fact, we discussed it within the official boundaries of the parliamentary deputy group. If you speak about the possibility of treason and the possibility of the deputies who were or are dissatisfied with the situation in our country, even the deputies who are in the movement, one has to stress two points: One point is when the deputy deviates from his election program, and the second is when the election program is not fulfilled. [passage omitted]

A new political entity should bring new principles into political work and be open-ended, which means that its fate depends on further talks, which appear very promising indeed, with other political entities, and the aim should be setting up a strong center bloc because I think that, in this transitory stage, center politics could lead towards success. [passage omitted]

Jeszenszky Explains Policy Aims in Washington

LD0303100994 Budapest Kossuth Radio Network in Hungarian 0500 GMT 3 Mar 94

[Excerpts] Foreign Minister Geza Jeszenszky has said in Washington that although Hungarian foreign policy is basically directed toward the West, ties with Russia also have to be consolidated. Following his talks with U.S. Defense Secretary William Perry, Geza Jeszenszky said that the United States is beginning to understand Hungary's special position in connection with Vojvodina and that the Serbs are wrong to think that the Hungarians treat them as an enemy. Further details about Geza Jesznszky's visit to Wasington are given by Miklos Martin Kovacs:

[Kovacs] The United States sees clearly that the Hungarian Government's intention is also to settle the Balkan crisis as soon as possible and in the fairest way. [passage omitted]

Also in Washington, in the White House's Roosevelt Hall, President Clinton met members of organizations representing the Visegrad countries in America—Czechs, Poles, Hungarians, and Slovaks. Laszlo Papp, one of the five Hungarian participants in the meeting representing the local branch of the World Federation of Hungarians, told Hungarian Radio that President Clinton made it clear that his government continues to rely on their opinion, since it pays special attention to Eastern-Central Europe and the U.S. Government is clear about the interests of the region. Bill Clinton added that the two main American concerns when evaluating the various governments are the progress of privatization and the enforcement of democracy.

Boross Comments on Visits to Germany, France

LD0203220494 Budapest Duna TV in Hungarian 2000 GMT 2 Mar 94

[Excerpts] The Hungarian prime minister has visited two European capitals within two weeks. He made a statement to our "Newsreel" program after his return.

[Begin recording] [Unidentified correspondent] You have now visited Paris and Bonn within a week. Does it mean that these two countries are the most important European countries for Hungary right now?

[Boross] Well, they are two determining powers, members of an alliance, and are very important for Hungary. I do not think it is a coincidence that I visited these two capitals. Germany represents a decisive force within the EU [European Union], and the fact that it has undertaken to support us in this way means that our application [for full EU membership] will be received favorably.

[Correspondent] [passage omitted] Chancellor Kohl referred to the intention to put on the EU agenda the ways in which new members may be admitted; in other words they want to hold negotiations in this respect. How do they see the terms?

[Boross] Well, a longer period of preparation and negotiation faces us, because the Hungarian economy must become suitable for admission into the EU. [passage omitted] It must be added that there is extraordinarily great interest toward Hungary. As a matter of fact, I heard praise about the Hungarian economy's ability to absorb capital. [end recording]

Opposition on Government Exploiting Media

LD0103201994 Budapest Kossuth Radio Network in Hungarian 1700 GMT 1 Mar 94

[Text] [Announcer] The Fidesz [Federation of Young Democrats] and the SZDSZ [Alliance of Free Democrats] are only willing to continue talks about the media bill if the government guarantees the independence of television and radio for the elections. Kata Peli Nagy reports on the joint declaration by the two parties.

[Nagy] The Fidesz and SZDSZ are ready to continue negotiations about the media law, but they do not want to sacrifice principles serving the impartiality of the media. So far, the two parties have been participating in the coordination of the media bill on two conditions: One, the government is to remedy the unfortunate situation reigning in the public media immediately and two: The future media law is to guarantee the impartiality of public service television in order that neither the present, nor any future government should be able to use it for party political purposes.

However, the two parties' impressions regarding the talks are that the government is reluctant to be represented at the coordination, and Prime Minister Peter Boross has refused talks about the media situation. Here is Gabor Kuncze, leader of the SZDSZ election list:

[Begin Kuncze recording] Mindful of the fact that only the government has any opportunity to intervene in the extremely bad situation that has evolved, we think that this is an indication that the present situation in the Hungarian television and radio suits the government only too well. It intends to maintain the situation until the elections, and it does not want to negotiate with the opposition about these issues. Therefore, if the necessary measures are not carried out, the Fidesz and the SZDSZ will leave the negotiating table. It is the government's turn to make a move. [end recording]

[Nagy] The two parties evaluated the internal situation that has developed in the television and the radio as follows, I quote: MTV continuously violates the ethical code of election, it openly incites and slanders in several of its programs. MTV openly belongs to the government and in the radio an open political showdown, disguised as professional reorganization, is being prepared.

MSZP Official Views Party's Prospects

AU0103193194 Budapest MAGYAR NEMZET in Hungarian 26 Feb 94 p 7

[Interview with Laszlo Bekesi, former finance minister and economic expert for the Hungarian Socialist Party, by Lorinc Szendrei; place and date not given: "We Are Heading for Restructuring, Not Restoration"]

[Text] The socialists are steadily moving upwards on the popularity lists of various opinion polls. How different is the Hungarian Socialist Party [MSZP] from the former state party? Where can we place the MSZP on the list of left-wing formations in Europe? Will the MSZP start restructuring or restoring things if they get into power? We asked former finance minister and current MSZP politician Laszlo Bekesi, whose name is also mentioned as a possible candidate for the position of prime minister.

[Szendrei] We cannot find a single party today that does not have some kind of problems or reservations regarding the socialists, while a considerable part of political forecasts mention the MSZP as a potentional governing factor. You are being measured, and possible coalition partners do not seem to hurry to contact you. From the other side, you receive the label of being the successor to the Hungarian Socialist Workers' Party [MSZMP]. Threatening tones can also be heard, claiming that the communists will come back with you. Preparing for its last congress before the elections, where does the MSZP stand in the left-wing arena used in the Western- European terminology?

[Bekesi] First of all about "measuring." The tough quarantine after the elections held in 1990 is the consequence of the demarcations of various intensities and intentions. Most parties won over a considerable number of voters through a tough anti- Bolshevik and anti-leftist propaganda. This worked perfectly in 1990. Of course, in that cast, the MSZP was the undesirable and improper successor party. Most parties think that this anti- communism might also bring votes this year. The third cause can be the essential one: It has become clear that, with very tough and detailed work, the quarantined MSZP preserved its calm and strengthened the professional image that emerged as a nostalgia for the Nemeth cabinet. This feeling is so strong today that all the political parties running in the elections regard the MSZP as their biggest rival.

[Szendrei] Do you think that only fear of a socialist victory and the loss of power dominates the evaluation of the MSZP?

[Bekesi] The government coalition displays an aversion to us and accuses us of everything because it clearly realized that a considerable part of our society finds the leading energies in the MSZP. It is, therefore, clear to the coalition parties that the MSZP represents the biggest danger against their desire to hold on to power. Therefore, nothing is too costly for them, and they make use of everything, including slander, lies, and the misinterpretation of achievements.

Without Sacred Dogmas

[Szendrei] The Alliance of Free Democrats [SZDSZ] does not get closer to you either; on the contrary: Viktor Orban sent you a message in the press according to which the MSZP is facing 34 years of opposition.

[Bekesi] The liberals, who generally follow the same goals as we do, see us as a rival whose success at the elections would lead to its predominance in a potential coalition.

[Szendrei] Would you accept this coalition?

[Bekesi] Why would we discard it? Let us stay with the idea that the liberals fear that we, the socialists, could gain the upper hand in the government. However, a social-liberal coalition is the real solution in Hungary. They can only envisage such a coalition if the MSZP can only get a subordinate role. This is their interest.

[Szendrei] After all, no matter how we look at it, the MSZP suffered a defeat four years ago. The hope for a comeback is only natural.

[Bekesi] There are no revanchist emotions or hopes involved here. The accusation that we are a successor party preparing for the restoration of the old ways is totally unfounded. We are preparing for restructuring, and not for the restoration of the milder phase of the Kadar regime.

[Szendrei] Apart from rejecting the accusations, how else can the MSZP get rid of the labels of the past?

[Bekesi] Of course, we know that rejecting accusations is not enough. It also transpires from our program that the MSZP is a pragmatic party definitely in favor of modernization, a party that does not stand on ideological bases, and a party that offers recipes for solving the current Hungarian social and economic problems. In addition, to the extent our economic scope allows it, we are also trying to represent classic left-wing values, like solidarity, the reduction of inequalities of chances, and help for fallen strata.

[Szendrei] These words coming from socialists make us recall the empty dogma of the past.

[Bekesi] I use the aforementioned expressions without fear, because we are definitely not thinking about these values on the level of dogma. The MSZP is not based on an ideology equivalent to the program of the German social democrats in the sixties. We are far rather following the Scharping-thinking characteristic of Western Europe at the end of the 20th century, a reasoning according to which nothing dogmatic is sacred.

[Szendrei] This is how communists became socialists?

[Bekesi] Neither here nor abroad can people claim that this is some kind of post-communist party with nostalgia, one strengthening and stressing the social democratic roots of the 19th century.

[Szendrei] However, along with the increasing sympathy, many people fear that the reviving old political elite is preparing to violate the democracy emerging in the wake of the first free elections.

[Bekesi] Such opinions have indeed been voiced. Before listing our counter-arguments, I must firmly declare that there can be people among the politically-active public who reject the left and the MSZP from the outset, but they do not treat the fears and accusations seriously. Obviously, there is such a narrow circle of people, but these people can never be convinced with arguments. They voice their prejudices.

[Szendrei] Let us turn to the concrete counterarguments.

[Bekesi] In other words, we are the camouflaged communists, the deniers of pluralism and democracy, and even the pioneers of restoration? If the Hungarian Democratic Forum [MDF] or other similar parties did nothing else but review the way they gained power and objectively analyze the period in which the Nemeth cabinet played the leading role, they could read from this the refutal of all the accusations. If they came to an objective conclusion, they would see that it was the post-communist Nemeth cabinet, and not they and the opposition at the time, that laid the basic pillars of democratic restructuring, including the legal, constitutional, and economic pillars. If they took a look at the system of institutions that emerged between 1988 and 1990, institutions that shaped the bases of market economy, they would not continue to be suspicious regarding the sincerity of our decision to change the regime. We formed a two-tier banking system, reduced the budget, liberalized the imports, reduced the subsidies, reduced the political expenses, started the privatization, legislated laws regulating the enterprises, created the stock exchange, and so on.... I cannot list everything now. It is rather difficult to call all this an attempt of the post-communist Nemeth cabinet to preserve the existing and discredited socialism. One can calmly examine the past four years. It transpires from this that the legislative proposals of the MSZP, its parliamentary motions, its attitude, and now its program have always been directed at accelerating the process that has begun, rather than slowing or reversing it. If you find a single element in our program that refers to restoring old ways rather than accelerating the conclusion of the process of restructuring, then there is sense in arguing. Otherwise, all that remains is the labelling, something that is not taken seriously anywhere.

[Szendrei] In other words, this is the Socialist Party that wants to build capitalism and not socialism. Who will lead the party? The first three places on the party's list are occupied by former members of the MSZMP Central Committee.

[Bekesi] Our program is European. Two out of the three members of the national list were members of the aforementioned Nemeth government. Despite the accusations hurled against him, it would be difficult to say that Gyula Horn was not one of the driving forces of restructuring. Of course, there are also historical lies, but one can also find facts in history. A considerable stratum of young professionals has emerged in the party and its surrounding in the past three years, people who are indeed less known. But every opposition party received little coverage in the media and, thus, new faces find it more difficult to become known.

Mistaken Indicators

[Szendrei] We have not yet spoken about the third member of the socialist troika, namely Sandor Nagy. A liberal economic policy with trade union support? Some Western-European governments have already failed in this. What will the trade union leaders do if the citizens demonstrate and strike against government measures?

[Bekesi] First of all, let us clarify the permanent attributes. The Hungarian economy is struggling with a deep crisis. We have no right or reason whatsoever to provide liberal, social, or conservative labels to the realistic economic policy capable of treating this economic situation. It is either a realistic policy spiced with any ideological elements, or it is unrealistic, and then we can call it by any name. According to my experience, there are not even slight differences between the party programs formulated after a serious analysis; at most, there are differences in phraseology and technical solutions. However, the guidelines are the same in the economic programs of the SZDSZ, the Federation of Young Democrats [Fidesz], or the MSZP alike. I see more decisive differences among the ideological parties. However, I must point out that the Hungarian Democratic Forum [MDF] is also beginning to become more realistic, precisely as a result of its government experience. Therefore, every labelling is mistaken.

[Szendrei] What about the cooperation with the trade unions? They are good in order to obtain power, but it is better for them to remain in the background in the governing activity.

[Bekesi] The MSZP has never claimed that the political agreement signed with the trade unions will guarantee a government free of arguments if the socialists participate in the coalition. No one believed even for a moment that the implementation of our economic policy program will not find some opposition points with the trade unions. There will be tough debates. The socialists do not want a trade union government. We cannot allow the trade unions to suppress a rational economic policy in the direction of distribution. However, we must add that the inevitable difficult steps will not succeed without a new social agreement. We, who regard the trade unions as our partners, have more chances than others.

[Szendrei] Hopefully Sandor Nagy will not become labor affairs minister....

[Bekesi] You must be kidding. This is impossible. If any trade union leader accepts a position in Parliament or in the government, he will naturally resign from his trade union position. These two positions are incompatible. Besides, trade union leaders work in the parliaments of every European democracy.

[Szendrei] Thus, the employees' representatives can clearly see what they can count on. What can the employers hope for? Superficial readers of the program fear that the socialists want to introduce the property tax.

[Bekesi] Nothing like that. We are not talking about a property tax; we are talking about taxing the increase in property. This is something totally different. On the other hand, our program contains the elimination of the minimum tax, the restoration of tax benefits for investments, the elimination of tax on the interests of accounts that encourage savings, both forint and hard currency accounts. We are the only ones to say that investment benefits should also be extended to amortization. It is our goal to return the general turnover tax in order to increase housing construction. We say that the share of income and profit taxes should be reduced in the entire tax system. In other words, we would gradually reduce the company and personal income taxes. On the other hand, however, we would tax the final consumption and property increase. This means the inheritance tax on non-productive accumulated luxury property. We would not tax the active property.

[Szendrei] The elections are approaching, and then the formation of a government. The socialists met with Miklos Nemeth. The congress in not preparing to name the candidate for prime minister either. Among the rumors, it emerged that your party would accept Gabor Kuncze as prime minister. Your name has also been mentioned. Has the time come to clarify the issue?

[Bekesi] The essential thing is that the socialists are concentrating on solving the tasks in the election campaign, and not on distributing the future government positions and nominating the people. Only a coalition government can emerge in Hungary. We can envisage several variations. Therefore, we cannot name a candidate for the position of prime minister now. With this, we would considerably limit the chances of coalition talks. Miklos Nemeth has indeed been considered. He rejected the nomination because of his work in London, and thus we took this issue off the agenda. About Gabor Kuncze I can say that we indeed see the future in the form of a social-liberal coalition. Our programs also match. We say that we need a government that knows its job. Thus, we do not find it impossible to have the politician of a smaller party that wins the election become prime minister. Therefore, we will ask this congress to decide on this matter at a special congress after the elections.

[Szendrei] In such a moment, what would you say if they asked you to become prime minister?

[Bekesi] This is an academic question.... There could be such a constellation.

[Szendrei] Would you accept the position?

[Bekesi] A lot of conditions must be fulfilled in order to say yes, but such a possibility cannot be excluded.

Entrepreneurs Party Leaders on Election Chances

AU0203070194 Budapest PESTI HIRLAP in Hungarian 1 Mar 94 p 5

[Interview with Chairman Peter Zwack and Deputy Chairman Lajos Kupcsok of the Entrepreneurs Party by Daniel Bodnar; place and date not given: "Liberal Civic Alliance—Entrepreneurs' Party—Deputy's Pay for Foundation"]

[Excerpts] With the approach of the parliamentary elections, parties outside Parliament, as well as the parliamentary parties, have launched their campaign and are seeking their "associates." We interviewed Peter Zwack and Lajos Kupcsok on this issue. [passage omitted]

[Bodnar] How would you characterize the Entrepreneurs' Party?

[Zwack] We mainly wish to deal with economic issues. I would like to remind people that in 1990, before I became a party chairman, I suggested to [former] Prime Minister Jozsef Antall that an economic top ministry should be set up; today, the need for this is recognized by many people. It is very important for a government to be able to approach issues from their practical side.

[Bodnar] What makes your party liberal?

[Zwack] Not the fact that it is said to be liberal. From the beginning, the goal of our party is to be more than the party of 600-700,000 small and medium size entrepreneurs, we also want to open to the intelligentsia and others.

[Kupcsok] I would like to mention two factors about the term liberal. One is that we want to reduce the state's intervention in the economy to the minimum and what is left should be operated with great deliberation. The other is that we reject all kind of racial, religious, or national discrimination. Ability and work, these our the two standards.

[Bodnar] You are member of the so-called Liberal Bloc together with the Alliance of Free Democrats [SZDSZ], the Federation of Young Democrats [Fidesz], and the Agrarian Federation. What justifies the establishment of this bloc?

[Zwack] We feel that a new Hungarian political culture has to be established; to solve the problems, we need cooperation instead of discord. The liberal bloc can be suitable for this. I think it is important to mention that, at first, the Entrepreneurs Party made an agreement with the Fidesz in October 1992, then with the SZDSZ, and

the Agrarian Federation only joined us afterwards. Getting to government is the clear goal of the bloc. We feel that the government coalition did not fulfill the hopes of a large part of the population. Therefore, a change is needed. We firmly believe that socialist governing would not be advantageous for the country. It is very dangerous that a significant section of the population yearns for the "good old days," not knowing and not feeling the catastrophic consequences of this. In our view, however interesting the Bekesi program is, it is impossible to implement it. By its nature, a socialist economic program is distributive and, unfortunately, there is nothing to be distributed. This liberal center bloc is capable of establishing the conditions for an economic boom if it succeeds at the elections. I do not want to make false promises, we need everything but these. In my view, the situation is very difficult, putting the economy back on its feet will take many years of work, but the processes have to be speeded up. [passage omitted]

[Bodnar] What relationship do you have with the government coalition?

[Zwack] I am sorry that many people think I am against the government, this is a big mistake. I have many good acquaintances in the government and neither I nor the party are anti-government. As a matter of fact, only stupid people are against the government. I have problems with certain members of the government, and this will always be so, it unfortunately cannot be changed. I would be ready to extend my hand to them, but these people are unwilling. We have problems with certain—mainly economic—decisions of the government, and that it deals too much with ideological issues that are clearly damaging for the country. It might be enough to refer to the Csurka affair, the statement on the 15 million Hungarians, and the media war.

[Bodnar] What are your views on your party's election chances?

[Kupcsok] I very much hope that we will get into government and then we will be part of the government coalition. However, even if we do not get into legislation, we will be much stronger than now because we belong to the Liberal Bloc, therefore, even as a nonparliamentary party, we could help the next government much more effectively. [passage omitted]

MDF Publishes Foreign Policy Program

AU2802142694 Budapest MAGYAR HIRLAP in Hungarian 25 Feb 94 p 3

["S.I."-signed report: "Hungarians Beyond the Border and Regional Leading Role—The MDF's National Foreign Policy"]

[Text] The Hungarian Democratic Forum [MDF] sees the protection of the Hungarian minority beyond the border as the main task of Hungarian foreign policy. This is revealed by the party's foreign policy program, even though, formally, this issue only occupies the second place after its Europe policy. However, the program accepted by the MDF's national meeting last weekend—which, after finalization, arrived at MAGYAR HIRLAP on 24 February—advocates foreign policy with a national basis in almost all its paragraphs, and some kind of intention to achieve a regional leading role can also be detected in it.

Contrary to the big opposition parties (the Alliance of Free Democrats, the Federation of Young Democrats, and the Hungarian Socialist Party) whose program documents are scientifically based, were made with foreign affairs professional methods, and which also clarify theoretical issues, the MDF's foreign policy program is structured around election slogans ("We Have Preserved and Will Keep Our Country's Stability" or "Let the Hungarians Be the Motor of Development," "Let the National Minorities of Europe Have a Fair Future," and so on) and it does not deal with theoretical issues.

The MDF program names two major foreign political goals. The first one is full engagement in the life of developed Europe, and the second one is "establishing good relations with the neighboring countries such a way that this is concomitant with the lasting settlement of the situation of minority Hungarian national communities." This hierarchy of goals does not essentially differ from the priorities of the major opposition parties but almost all paragraphs of the MDF's program are permeated with the fact that the Hungarians beyond the border nevertheless have priority.

All the MDF program says about the issue of joining the European organizations is that "Hungary cannot be left out," but it does not talk about the necessary preparations. About NATO membership, it says that "the possibility of a full NATO membership has opened before us" but it does not deal with the problems posed by a possible NATO membership (the ones that can be raised, for example, if Hungary and its neighbors are not accepted into NATO at the same time).

The intention to acquire a regional leading role is the other important characteristic of the program. "It is the MDF's goal that, with the help of its policies and in accordance with our central position, Hungarians become an organizing force in Central Europe's economy through the abilities and industrious nature of our people." In other places, the program allows it to be felt that the MDF sees Hungary as an example to be followed by the neighboring countries.

The notion that was also part of the government program four years ago can again be seen: Relations with nonneighboring countries should be subordinated to politics relating to the Hungarians beyond the border. The MDF again declares that such relations have to be formed with the more distant countries which serve the interests relating to the Hungarians living beyond the border.

According to the MDF, the improvement of the Hungarian minorities's situation beyond the border is a task of the Hungarian Government's foreign policy. The

program states that the national minorities have the right to self-determination, including territorial autonomy; it emphasizes that the application of collective national minority rights has to be urged at all international forums (which, however, is usually received with suspicion at the moment in Europe).

The program devotes much space to praising the achievements, and it attributes certain facts to the MDF's merit which did not have much to do with the MDF (for example, Hungary's acceptance to the Council of Europe in 1990, a few months after the establishment of the MDF government).

Fur Interviewed on MDF Ideological Issues

AU0103135594 Budapest UJ MAGYARORSZAG in Hungarian 25 Feb 94 p 7

[Interview with Lajos Fur, defense minister and chairman of the Hungarian Democratic Forum, by Maria Rozgics; place and date not given: "Be Faithful to Yourself—Interview With Lajos Fur After His Inaugural Speech as Chairman"]

[Excerpts] [passage omitted] At the threshold of decisive new elections, juxtaposing Lajos Fur's former thoughts with his current ones, we would like to give food for thought to all those who might still be looking to 8 May with doubt and uncertainty. [passage omitted]

[Rozgics] In one of your interviews for UJ MAGYARORSZAG in January you referred to your book "I Would Like To Cry Freely" which had been published earlier. Today, it is no longer a question whether one is allowed to cry freely, we now are expecting you to say why it is worth crying?

[Fur] It is worth crying so that we succeed in continuing the policy that ensures freedom in the future, too, and through this freedom we can continue to build a real and true European democracy in Hungary. What we began with much toil and suffering has finally been completed, and once we have completed this building, we should utilize it well to live in, we should furnish it in a way worthy of humans, and fill it with balanced civic existence. [passage omitted]

[Rozgics] What are your views on the survival of the Hungarian nation?

[Fur] This issue might be even more difficult than the issue of the economy. We know the consequences of the long historical process. It is a very difficult issue. It has two components. The decline in the number of Hungarians in the country: It is public knowledge that we are 30-40 thousand fewer every year. Therefore, the reduction of the number of Hungarians in the country has to be stopped because this is one of the signs of decline. It is also known that the Hungarian nation is a nation torn apart, it constitutes huge minority groups. Stopping the decline in the size of the national minorities, and establishing such conditions with the majority country and the mother country in which they can survive, is a very bitter process. This is a difficult issue in this part of Europe, and in the West, too, although certain methods have been learned there. Unfortunately, we still have much to do before the conditions for the survival of national minorities can be guaranteed. I repeat that we also have to halt the country's domestic biological decline because we are decreasing. Unfortunately, year after year, we are decreasing. [passage omitted]

[Rozgics] In 1989, the Forum outlined three roads: red dictatorship, abyss, or democracy. What is the situation now?

[Fur] I also spoke about it at the [Hungarian Democratic Forum's MDF] National Meeting, that this had been at stake at the elections: Either the postcommunist dictatorship continues to vegetate, anarchy breaks out in the country, or we can switch over to a democracy in a constitutional and legal framework in a disciplined manner. Today, although the situation is not as keen, the question is what will happen to the country. Knowing society's sober attitude, I hope that anarchy is not threatening the country, but the danger of a left-wing change can certainly be felt. It is my firm view, that the question continues to be whether a constitutional, legal, calm, balanced, and secure democracy will continue to exist in Hungary. Although, this means hardship for many people and social groups. A left-wing change could mean an unpredictable and incalculable direction for democracy and everything that goes with it, namely the economy, and the change and transformation of society. The reflexes, thinking, and the political goals of the left wing are completely different from ours who are the sober political forces that honestly insist on democracy.

[Rozgics] The MDF announced the triple road of national liberalism, Christianity, and popular-national ideology. How are we to interpret these?

[Fur] This is not a road because it only leads to problems if a road goes in three directions. It is more appropriate to say that these are the ideological and political source of the MDF. The term tendency is too strong because tendencies can easily turn into independent political movements and divisions which have actually happened. This ideological and political source whose roots go back to the popular and national traditions that did not only represent the political activities of the populist writers of between the two world wars, but it could actually be taken back to Rakoczi and Bocskai [historical figures in 17-18th century]. Christian democracy is our other source which, in addition to modern Christian democracy, also means the values that Europe accumulated throughout the 2,000 years of Christianity. This is a way of looking at and understanding the world, and it is not a world view. Naturally, it also includes the political thinking of the modern Christian democracy. The third part of our source is national liberalism that flourished in the 19th century, and since then, it has been a determining factor of Hungarian history. However, here, I am talking about nationally committed liberalism,

rather than the supra-national liberalism that reflects a different attitude. We have been able to see these principles as important components of the MDF and still see them this way. [passage omitted]

SZDSZ's Kuncze Views Electoral Propsects

AU0203102994 Budapest NEPSZABADSAG in Hungarian 1 Mar 94 pp 1, 4

[Interview with Gabor Kuncze, parliamentary group leader of the Alliance of Free Democrats, by Attila Zsoldos; place and date not given: "Kuncze on Success Propaganda"]

[Text] While he has been using very clever rhetoric since he was elected prime minister, Peter Boross has not implemented any real changes, Gabor Kuncze, prime ministerial candidate of the Alliance of Free Democrats [SZDSZ] told NEPSZABADSAG. Kuncze named the Hungarian Socialist Party [MSZP] as his party's strongest opponent at the elections. In his view, it has not yet been decided which tendency will become dominant in the Hungarian Democratic Forum [MDF] after the elections.

[Zsoldos] After the MDF's national meeting and the MSZP's congress, what are your views on the SZDSZ's possibilities for making a coalition after the elections?

[Kuncze] We continue to maintain that this depends on the possibility to reconcile the programs, and this question can only be answered after the election results are known.

[Zsoldos] In the past, you said that an increasing number of tendencies exist in the MDF and you do not know which one will become the dominant one. Do you still hold the same view?

[Kuncze] It has not been possible to clarify our views on the MDF because we still do not know their program. On the basis of the ideas raised at the MDF's national meeting, it seems that, on the level of rhetoric, they are beginning to echo the proposals that the SZDSZ has long been representing in its amendment proposals.

[Zsoldos] Does this mean that, even after the election of Peter Boross as prime minister, it is still impossible precisely to determine the MDF's political line?

[Kuncze] I still see the coexistence of many tendencies in the MDF and it is impossible to know what weight they will have in the new parliament after May.

[Zsoldos] Which party does the SZDSZ see as its main election opponent?

[Kuncze] The MSZP, on the basis of the public opinion polls.

[Zsoldos] With the approach of the elections, what are the most dangerous phenomena in your view?

[Kuncze] As the official campaign period has not yet begun, I cannot give a clear answer to this. On one hand, I am afraid of the quite conceivable possibility that the forces that refer to the past 40 years will have too much presence in the MSZP's campaign. On the other hand, it can already be seen that the MDF has launched a success propaganda that does not reflect the real conditions. This is dangerous for the public opinion because it is misleading, and it is also dangerous for the MDF because it defines its program and its tasks for after the elections starting from an unrealistic situation.

[Zsoldos] The MDF's popularity increased after the election of Boross as prime minister. To what do you attribute this?

[Kuncze] According to the latest opinion polls, the temporary increase of the MDF's popularity has stopped. Boross, who has indeed been using a very clever rhetoric since his eleciton has not actually implemented any real changes in governing. The press is still loud with corruption cases in privatization. The fact that the government has replaced some of its members does not alter the fact that the institutional system that facilitates corruption is unchanged. Boross has also refused to make changes in the leadership of the television and radio although these can fundamentally influence the purity of the elections. Boross has been trying very hard to appear in an attractive manner for the public and draw the MDF with himself, nevertheless, the mistakes of the past four years will be a burden on the next governmental cycle. People draw the conclusions on the past four years on the basis of the contents of their wallets rather than on the basis of success propaganda.

New Hungarian Army Commander Appointed

LD0103145794 Budapest Kossuth Radio Network in Hungarian 1200 GMT 1 Mar 94

[Text] Lieutenant-General Janos Deak has been appointed commander of the Hungarian Army; at the same time the retiring commander Colonel-General Kalman Loerincz has been relieved of the post.

For his excellent work in the maintenance of Hungary's military defense capability, in the establishment of the Hungarian Army's national image, and in the upholding of its military preparedness, the retiring army commander was presented the Hungarian Republic's Medium Cross Order of Merit decorated with a Star, by President of the Republic Arpad Goencz. [Defense Minister] Lajos Fur presented an ornamental saber to Kalman Loerincz.

Arpad Goencz stressed in his speech that Hungary's security could be guaranteed by having an army which was not only able to defend the country but able even to deter a possible aggressor.

Reactions to Markiewicz Ouster Reported

LD0203190794 Warsaw Radio Warszawa Network in Polish 1700 GMT 2 Mar 94

[Text] [Announcer] In the view of Jaroslaw Kaczynski, chairman of the Center Alliance [PC], President Lech Walesa's decision on the recall of the chairman of the National Radio and Television Broadcasting Council [KRRiT], Marek Markiewicz, lacks any legal basis. The leader of the Conservative Party [PK], Aleksander Hall, has also protested against the method of dismissal of Marek Markiewicz. He feels that the activities of the president are, regardless of his intentions, such as to bring disturbance into the public life of the country and to favor destabilization.

The press spokesman of the Constitutional Tribunal, Adam Jankiewicz, has reported that the tribnunal may consider an application on the matter of the determination of a ruling on the decision of President Lech Walesa on the recall of the chairman of KRRiT over a period of at least two weeks from its being received by the tribunal.

Markiewicz Comments on Dismissal

WS0303120094 Warsaw RZECZPOSPOLITA in Polish 3 Mar 94 p 3

[Interview with Marek Markiewicz, former chairman and current member of the National Radio and Television Broadcasting Council, by Beata Modrzejewska; place and date not given: "Something Else Is Bound To Happen"]

[Text] [Modrzejewska] How did you find out about your dismissal from the post of chairman of the National Radio and Television Broadcasting Council [KRRiT]?

[Markiewicz] An employee of the KRRiT's Office called me on the telephone saying that a letter in an open envelope has been brought into the secretariate; he read the letter to me and that is how I found out about the dismissal.

[Modrzejewska] Have you received signals from the Belvedere before, to the effect that it is the president's intention to dismiss you? [KRRiT member] Ryszard Bender paid a visit to [presidential aide] Minister Drzycimski that morning.

[Markiewicz] He did not tell us about his visit until the afternoon.

[Modrzejewska] Do you expect further moves by the president, such as for instance dismissal of other KRRiT members who were appointed by him?

[Markiewicz] That cannot be ruled out. There is a lot of determination on this issue. KRRiT is not demonstrating any signs of initiating a dispute or of putting the president's decisions in question, but on the other hand, the statement made by the president yesterday morning indicates that something else is bound to happen.

[Modrzejewska] During Tuesday's [1 March] press conference, you initiated an argument with the president in a decisive manner for the first time, by summarizing a telephone conversation during which the president had accused you of having accepted a bribe.

[Markiewicz] I have always been an enthusiast of the president. I have never wanted a fight with him and not a single aggressive phrase was ever spoken by me with regard to him. The accusation that was made, was terrible for me, but the contents of the conversation with the president would have remained my secret, if it had not been for the fact that the accusation also appeared in an open letter to the president by Jan Purzycki—that letter has not been denied. I could have assumed that there will be someone to say that I am stupid or incompetent, but to say that I am a thief? Regardless of what one can think of me as a person, the letter concerned an institution, that is KRRiT. Once someone starts accusing state institutions of something that has not been proven, then one can expect that other institutions will at least distance themselves from the accusation. I was very curious to see what the president's reaction will be.

[Modrzejewska] So in your view, what should have been the president's reaction after he received the letter?

[Markiewicz] He could have said that it does not look good in public when such things are being said publicly about a constitutional organ, regardless of what the organ really did or did not do, since such accusations weaken the position of these institutions, not the position of the individual persons; privately, I do not have to be concerned with such letters.

[Modrzejewska] Why do you not defend yourself by suing Purzycki in a court of law?

[Markiewicz] By myself, I am the smallest element—I mean nothing. The issue offended me very much and I do not rule out the possibility of seeking court action, but I want to say that dealing with courts is not one of my life passions. I know I had not taken any bribe. To try to contradict that, would mean caring not for oneself, but avoiding a spiral of publicity without any contradiction whatsoever, since that sets in motion a phenomenon in public life, which will kill us all.

[Modrzejewska] Do you see the president's moves as made with the future presidential elections in mind?

[Markiewicz] That is hard to assess. Everybody is aware of the upcoming elections and of the increasing destabilization and aggressiveness of Polish political life; I think it is not possible to ignore this, even if one is not aware of all that.

[Modrzejewska] Was the president's dissatisfaction with the granting of a license to PolSat caused by the fact that he had had his own favorite candidate?

[Markiewicz] Even if he did, I know nothing about it. But [PolSat owner] Solorz is not particularly in our good books for any specific reason; in making the decision we

did, we tried to act in an objective manner. I pointed out during a radio conversation with [presidential aide] Professor Falandysz, that it is wrong to make the accusation that PolSat will have a monopoly since it received an all-national license; it would be close to impossible to grant PolSat half a concession or a quarter of it, whereas KRRiT had received a written motion concerning PolSat's withdrawal of its applications for local stations.

[Modrzejewska] Why did the president dismiss you exactly on the first anniversary of KRRiT's term of office?

[Markiewicz] Perhaps it had to do with some symbolic meaning, or perhaps with the granting of a license to PolSat? I do not want to go into the issue of human intentions; I always make the assumption that they are good, and that good intentions are the basis even of violent gestures. This is my approach to people, and in particular to Lech Walesa.

[Modrzejewska] So let us assume the president's intentions were indeed good. He says you committed a flagrant violation of the statute. Do you agree with the accusation?

[Markiewicz] I do not, but that is not an issue of intentions but one of the effects of how the statute, the limits of its functioning, and the basis for evaluating KRRiT's activity have been presented to the president. I have wanted many times to talk to the president concerning, among other things, what KKRiT is supposed to be doing based on the statute, and how it is supposed to function. I became aware of why such a conversation never took place when I found out that the president had thought that we were just supposed to perform some organizational work, and that we were to be replaced by others. I did not belong to a group of people who could present their views to the president—I acted like a clerk and that may be part of the assessment of the situation we are in.

[Modrzejewska] Accusations have been made that PolSat had not been adequately verified by KRRiT or that Zygmunt Solorz's credibility was not checked.

[Markiewicz] We have always expected other state organs to cooperate. We did everything in our power to verify PolSat's application. Other state organs failed to point out to us what they should have done, within their range of powers, to guard the country's interests.

[Modrzejewska] The Office of State Protection [UOP] says it pointed out some doubts but KRRiT did not request any further information.

[Markiewicz] UOP presented two documents to us but there are no reasons whatsoever for an institution which has the appropriate documents, to disclose them publicly. We are bound by rules of state secrecy. Once the duty is lifted from us, we will then reveal to the public all the documents we have.

[Modrzejewska] Was KRRiT not interested in press enunciations concerning PolSat and its owner?

[Markiewicz] Of course we were interested. We made personal guarantees, by signing the license over to PolSat. Every circumstance described by the press was examined.

[Modrzejewska] You stated publicly that Zygmunt Solorz had replied to every accusation. Do you mean he just answered, or did he present appropriate documentation?

[Markiewicz] He either answered, or presented documents—if the circumstances warranted that. After a few conversations with Solorz, I am increasingly convinced that the decision was right. Along with my colleagues from KRRiT, we imagined a scenario of someone else getting the license, and we simulated possible types of attack, and in our view, these attacks would have been rather similar with regard to anyone else who would receive the license. The press accused PolSat of having signed an agreement with Murdoch, but the press never published anything when the accusation turned out to be untrue; it was the same case with the accusation that Solorz has German citizenship.

[Modrzejewska] That was in the files.

[Markiewicz] Yes, it was, but one will have to prove that Solorz used to be a German citizen.

[Modrzejewska] Did Solorz increase PolSat's capital as he had promised?

[Markiewicz] Sure he did. The license describes subsequent stages of setting the share capital in motion, and if he fails to implement that, then that will be a reason for taking the license away from him.

[Modrzejewska] Was KRRiT not bothered by the many passports of Zygmunt Solorz?

[Markiewicz] It has never been proven that he has used them simultaneously. Mr. Solorz himself explained to us the issue of the passports, and these explanations are included in our files. In any event, that theme has never been brought up by state agencies.

[Modrzejewska] Is there any truth to rumors that you intend to run in the presidential elections?

[Markiewicz] When I heard this, I began wondering who could be wanting to hurt me by saying such things under the current situation.

[Modrzejewska] So do you intend to run, or not?

[Markiewicz] That scenario was not included in my thinking about the future. The work at the KRRiT defines the range of my aspirations or expectations.

[Modrzejewska] Is it possible that you will give up your membership in KRRiT?

[Markiewicz] In the spring, KRRiT will submit its report to the parliament, concerning its year-long activity. I have never made it a secret that it is my intention to make efforts for the KRRiT to present its report.

UOP Refuses Comment on Lysenko Remarks

LD0203155194 Warsaw Radio Warszawa Network in Polish 1400 GMT 2 Mar 94

[Text] The State Protection Office [UOP] has refused to comment on statements by Anatoliy Lysenko, a major in the Ukrainian security sevices, accused of spying. During today's trial before a military court, Lysenko said that the UOP had been encouraging him to cooperate and accept Polish citizenship. He added that he had been urged to sign papers he did not understand.

Politicians View Walesa's Political Moves

WS0303104594 Warsaw RZECZPOSPOLITA in Polish 3 Mar 94 p 2

[Article by Eliza Olczyk: "Aim—Second Term of Office; President in Action"]

[Text] "I wanted to, but they would not let me"—this is one of Lech Walesa's favorite sayings. He wanted to give each citizen 100 million zlotys, but nothing happened. He wanted to leave only socks on affair mongers, but he did not manage to do that, either. Recently, he has wanted to give people the right to submit their own draft constitutions, but the Sejm rejected his initiative in the first reading. It is also not clear how the issue of the recall of Marek Markiewicz will end up.

Movement in the Business

Lech Walesa feels bad when nothing is happening in politics. He likes to see some movement in the business. However, since the dissolution of the parliament last year, he has not had many occasions to really act. He kept the government coalition in suspense for a while, wondering whether he should appoint Waldemar Pawlak to the post of prime minister. He teased the politicians for a little while by demanding three candidates, but that was all.

Only the National Council of Radio and Television [KRRiT] gave him more reasons to act: It appointed Wieslaw Walendziak to the position of president of the Polish Television. Following the decision, the president withdrew political support for the members of the council whom he had himself appointed; he waited for them to submit their resignations, which did not happen.

He provoked the next confrontation himself by submitting the bill of the so-called people's initiative; because of that, the Sejm divided into supporters and opponents of the president, which livened up the usually boring plenary debates. The rejection of the bill was instantly taken advantage of by the president, who withdrew from the work on the Constitution.

Before the public opinion forgot the issue of the Constitution, the president recalled Marek Markiewicz from the post of KRRiT chairman and queried the decision granting a nationwide television license to Zygmunt Solorz.

What Does the President Want To Achieve?

The politicians whom we asked about it unanimously answered that he wants to gain the post of president for another five years. The thing is, he is doing it rather unskillfully.

"It is clear to me that the president is making uncoordinated movements. By withdrawing from the work on the Constitution, he wanted to make a political gain; however, there is no one that could do that with him," says Ryszard Bugaj of the Labor Union.

Bugaj believes that the recall of Marek Markiewicz from the post of KRRiT chairman is an element in the fight for influence on the mass media. It is also possible that the issue of Zygmunt Solorz, owner of PolSat and a license for nationwide television, is supposed to be the implementation of the slogan: I will leave only socks on affair-mongers.

At any rate, the president, who has always acted chaotically, has now really gotten lost. Contrary to the law, he refused to participate in the work on the Constitution. It is not known whether the decision on the recall of Markiewicz was legal as well. Such inappropriate activities only show his political helplessness and the incompetence of his entourage.

"The game that he is involved in is drawing him increasingly deeper," says Bugaj. "In addition, detrimental to his opinion are such things as the repair of the Namiestnikowski Palace and buying expensive cars for his family members. He is waging his campaign clumsily."

Andrzej Potocki of the Democratic Union entirely shares Bugaj's opinion.

He believes that the president's activities will not endear him to many voters. Some of his decisions cannot be accepted even by those who support him. As a result of his actions, soon in Poland there may be no issue that would not be entangled in politics. KRRiT activities should be excluded from political gamesmanship; however, Walesa encroaches on the area of the political independence of KRRiT in order to subordinate the mass media to himself.

A Man of Action

"The president is a man of fight and action," says Zbigniew Siemiatkowski of the Democratic Left Alliance. "He does not like a stable democracy. His experience suggests that he always benefits from direct confrontations, and that is why he is seeking them."

According to Siemiatkowski, the president's entourage does not fully understand that, in a democracy, everyone

is submitted to certain specified rules of the game. The parliament does not have the duty to adopt a bill only because it has been submitted by the president—all the more so because Walesa did not make any efforts to create a favorable atmosphere around his bill. The same goes for KRRiT. Respect for the president is not the same as absolute obedience to him. The council's representatives, who have been appointed by the president, attempted to act much too independently. This attempt encountered resistance and resulted in the recall of Markiewicz from the post of chairman.

All of this is an element of a political campaign because only through criticism can one gain the disgruntled.

Information Noise

According to Janusz Piechocinski of the Polish Peasant Party, the president is trying to show that he is active on the political scene and has a lot to offer. He is employing his favorite tactics: He attacks, usually before leaving somewhere, and waits to see what positions the pawns on the political chessboard will take.

"The situation of the president is difficult," says Piechocinski. "At the moment, he has no political friends. Apart from that, he is asking himself the question of whether he can get rid of political duties or whether he must participate in this game and for the second time run for the position of the head of state."

Piechocinski believes that the president's activities are not easy to interpret. It is not clear whether the president is against KRRiT or against the division of the mass media, which has been made by the council. Perhaps he is concerned about the fact that the mass media are getting away from his control. All this is not entirely clear.

"Walesa does not have a large combat scenario," says Piechocinski. "Actually, he has never had it. The aim of his activities is another term as president; however, so far he has been making merely information noise and giving the impression of total instability of the political world."

Only Leszek Moczulski of the Confederation for an Independent Poland believes that the purpose of Lech Walesa's actions is first of all the strengthening of the position of the president in the political life. He wants to exert greater influence on what is happening in the country. Political activeness, however ineffective, is better than lack of activeness. Inaction disqualifies a politician.

Conservative Party's Election Strategy Outlined

PM0303113994 Szczecin GLOS SZCZECINSKI in Polish 22 Feb 94 p 5

[Interview with Aleksander Hall, Polish Conservative Party chairman, by correspondent Wanda Jurczak; place and date not given]

[Text] [Jurczak] Why do you consistently pass such an emphatically negative judgment on the government coalition camp in your public utterances?

[Hall] First, it is more than obvious that the government coalition has no cohesive program of state reforms. What they do is neither continuation of the work of their predecessors nor its demolition. On the other hand, in such areas as, say, reforms of the health service and the budget-funded sector, we can expect continuing stagnation. It is obvious that the process of privatization is already being hampered in its progress. Nor do I believe that the present government coalition is capable of successfully resisting public pressure. In contrast to this, we know that both Leszek Balcerowicz and Hanna Suchocka's entire government were perfectly able to take risks for the sake of certain overriding interests and were even prepared to enter into conflict with a substantial proportion of the general public for the sake of these interests. Today we cannot find any evidence of such firm principles. Finally, there is a clearly discernible return to the policy of making politically inspired appointments to key state offices. Such appointments are often entrusted to people who were politically active in the past, although not always in association with the Democratic Left Alliance [SLD] or the Polish Peasant Party [PSL]. The government coalition promotes a vision of a strongly centralized state, with a powerful central administration. The way to counteract such ambitions is to give significant powers to local self-government structures and regional communities. This is our concept of running things.

[Jurczak] But the president has expressed a strongly negative opinion of the political configuration existing outside the government coalition.

[Hall] In my view, the president should refrain from using such strong expressions which are loaded with negative messages. On the other hand, it is true that very many politicians from the post-Solidarity camp have failed to pass the test as statesmen and leaders of the nation. I do not know whether the president was referring also to me in his utterance. I hope he was not.

[Jurczak] To go back to your own patch, do you believe that Kazimierz Michal Ujazdowski was right when he accused you of attempting to cause a split in your party?

[Hall] We are now well and truly "divorced," and a group of our former colleagues, including Mr. Ujazdowski, have left the Conservative Party. In any case, they are not a particularly large group, and in the past they demonstrated considerable political talent when they were setting up our party. Mr. Ujazdowski's future plans are precise and clear-cut: He intends to set up a compound political party together with the Christian National Union [ZChN], the Center Alliance [PC], and the PSL-Peasant Alliance. It is his God-given right to do so. We, on the other hand, intend to continue

investing in the Conservative Party and a future conservative-liberal camp which should eventually be created in Poland.

[Jurczak] Has your party worked out a strategy that could help you achieve success in the forthcoming local self-government elections?

[Hall] We operate within the framework of an agreement between different political programs, dubbed the 11 November Agreement, but in the local self-government elections our structures will retain considerable freedom of maneuver as regards selection of political allies—excluding, of course, the ruling government coalition and Union of Labor. In order to be able to create wide-ranging political alliances, we should ideally set up alliance structures in every city, each embracing a spectrum of parties from the Democratic Union through the ZChN. This is because we will have a very strong adversary on the other side, namely the SLD in urban centers and the PSL in the rural sector. This challenge will oblige us to concentrate our forces. That will not be possible everywhere, but I believe that such a tactic will be most desirable. Moreover, I believe that it is improper practice to change the electoral law at short notice before the elections; I believe that the local self-government elections should be conducted on the base of the old electoral law, which is, in any case, still in force today.

[Jurczak] Thank you for talking to us.

Farmland Privatization Chief Defends Record

PM0303091594 Krakow CZAS KRAKOWSKI in Polish 23 Feb 94 p 4

[Interview with Adam Tanski, chairman of the State Treasury Agricultural Property Agency, by correspondent Halina Zielinska; place and date not given]

[Text] [Zielinska] Mr. Chairman, it is now two years since your agency was set up, and we still cannot see even the beginning of the end—that is, the end of the process of the privatization of Polish agriculture. Why is your progress so poor in that area?

[Tanski] I must say I disagree with you completely. Our progress is by no means "poor," but actually quite good. You must take into account that it has not been "all of two years" but "only two years," which, in practice, has meant 18 months of our activity in a fully developed structure. During that time, we managed to take over the assets of all of the state farms and more than 40 percent of the assets at the disposal of the State Land Fund. And we began in extremely difficult circumstances, with only a small group of dedicated enthusiasts committed to the idea of the future transformations and resistant to all attacks and accusations....

[Zielinska] What attacks? What accusations?

[Tanski] Well, all kinds of interests happen to come into conflict with one another as a result of the new privatization schemes. Previous employees of the state farms [PGR] currently under privatization often dream of getting the land for themselves. Now and again you still come across the slogan "Share out the land!," which was invoked, most irresponsibly, in my opinion, by people who at the time controlled the state's agricultural policy.

Former PGR directors cherish different expectations than either local farmers or self-government structures, which in their turn view the privatization process in the light of their parishes' interests. However we look at it, these interests are often in conflict with one another as well as with the interests of the state treasury, to which the land belongs.

[Zielinska] You can often hear the view that it is quite hard to find buyers ready to purchase reprivatized land. Especially in the northeast of Poland, where whole fields are often to be found lying fallow.

[Tanski] It is true that situations do happen when land is left fallow during the period when, say, the privatization process is under way, when the old owner is gone and we have not yet managed to find his successor. But it also happens—quite often, too—that instances of land left to waste are the result of the agricultural policy inherited from the time when the PGR farm acreage statistics were artificially increased by the addition of grade V and grade VI land to the records, even if production on those sites was too expensive and unprofitable because of low soil quality. The market economy principles currently obtaining have naturally verified the land grading system, and I believe that this process is healthy and natural.

[Zielinska] Another irritating development is that land sale auctions are inevitably won by local setups or interest groups....

[Tanski] The auction operations are merely the end element of the whole process because a long process has to take place before land is put up for sale by auction: It must be assessed, valued, and restructured according to a program drafted by our experts. This is in order to prepare healthy farms, free from excess poor quality land, capable of high production and able to function in the free market situation. And all of our auctions are organized in a way that precludes the possibility of corruption. Each is mandatorily attended by a notary official who collects the tenders, and by a director from our own agency; all decisions are made by an auction commission.

You voiced an objection to "local setups." But these are fine as long as they are groups of local people who have sufficient financial credibility, with a leading shareholder, and a good chance of attracting external finance. Why should we object to them?

On the other hand, it is true that sometimes interested local groups attempt to bend the rules to serve their own

interests by proclaiming loudly that they are entitled to the land they want because they had been attached to it.

[Zielinska] Are you talking about Andrzej Lepper?

[Tanski] Not only him. In my opinion, in Lepper's case the aim was to take advantage of the fabricated conflict for political reasons. When we comment widely on such developments, we play into the hands of people who are only too keen to figure in front page news.

Such incidents have taken place several times already, although they were not particularly highlighted by the press. For example, we came across such a campaign in Lysomice near Torun, when our office was forcibly occupied and we were forced to ask the police to intervene. This sort of action amounts to a breach of the law, and it should be unequivocally condemned, with all of the attendant consequences. And nothing more need be said about it.

[Zielinska] What are your relations with the Polish Peasant Party [PSL] and the Pawlak government?

[Tanski] During the past few months, we encountered no particular problems associated with the fact that a government coalition had assumed power. We do not need to convince anyone that privatization of the agricultural sector will bring immediate and tangible effects. We have only those problems to contend with, with which we had already grappled before.

[Zielinska] Does the PSL or the coalition government not want to post their own men within your Agency?

[Tanski] That would be a secondary concern. For the time being, as you see, I persist in my office, I function adequately, and I do not believe I look despondent at all. Of course, as any other high state official, I must be prepared for the possibility that I might be recalled one day, but I do not believe that this must not make any difference to the quality of my work in the present office: It should never bear the stamp of a "temporary job."

[Zielinska] You mentioned certain problems.

[Tanski] Yes. Our worst problem at the moment is the question of PGR debts. Let me remind you that we take over the PGR's, which are under liquidation, which means inheriting all of their assets as well as their debt liabilities. Unfortunately, the latter are quite massive: We estimate that they reach 20 trillion zlotys [Z]. Furthermore, you must remember that our creditors are institutions that must not be allowed to collapse because that would hurt the agricultural sector too much. Consequently, we seek a compromise that could be reached by instituting talks with the banks on the terms of a possible settlement, which would give a chance to both sides.

Our second problem is the need to find credible customers willing to buy or rent the privatized properties. Here we are only partly successful because the lack of free capital in Poland presents a serious obstacle in this area. That is why we welcome engagement of foreign capital.

The last problem is unemployment. Previously, this was hidden because PGR structures made it possible to conceal it, but the present transformations have uncovered and highlighted it very plainly. The phenomenon is particularly troublesome because it is concentrated in Poland's northern and western regions, where almost half of our farms are situated. People who live there have no alternative employment opportunities, while we, unfortunately, are unable to create so-called individual family farms, whose size would be limited to 20-30 hectares. Nevertheless, we are doing our best to activate for that purpose certain currently "underused" credit lines, which had been granted to us by the World Bank. We also intend to try to activate production in those farms that we have "liberated" from their debt liabilities after taking them over. We believe that it is possible to acquire finance for that purpose from the Labor Fund. We also expect that the government will take appropriate steps to assist us in the funding of our operations. Otherwise, the employees of our farms will end up as clients of employment offices, applying for money that ultimately comes from the same source but that would then be handed to them in the form of unemployment benefits.

Labor Minister on Fighting Unemployment

WS0203143594 Warsaw TVP Television First Program Network in Polish 2120 GMT 1 Mar 94

[Interview with Leszek Miller, labor and social policy minister, by Andrzej Bober and Jerzy Baczynski in Warsaw; from the "Letters on Economy" program—live]

[Text] [Bober] Mr. Minister, the election slogan of "It Doesn't Have To Be This Way Any More" is being replaced by the slogan of "It Could Be Even Worse." As we heard, the number of unemployed will probably exceed 3 million people today. So what does a labor minister actually do?

[Miller] You know, as I was watching the press conference by [the former chief of the National Radio and Television Broadcasting Council] Mr. Markiewicz, a thought occurred to me that the situation has indeed deteriorated, except that is not a result of Pawlak government's measures, or even of the coalition's measures. I am sure it will not deteriorate further in the future but in order to be able to assess that, let us meet in a year's time and see what the results are.

[Bober] What does a labor minister do?

[Miller] He deals with [hesitating] providing protection for the process of transformations. Your colleague here in the studio was kind enough to mention my ministry's name. I would say my ministry's goal is to lessen the pain of the transformations, that is to say its goal is to make sure that the pain does not become unbearable and that it does not rise to a level where society refuses to give its consent anymore to the inherent cost of the transformations.

[Bober] So the Labor Ministry deals with providing social benefits?

[Miller] Not just that, but the ministry also makes efforts to establish a new labor regime which would be adapted to the market economy; it also tries to change the system of social benefits by conducting a deep reform of social benefits, and an active social policy. But I understand you are mainly interested in unemployment.

Well, I have been trying to convince my colleagues in the government that if just one minister was charged to deal with unemployment and with fighting it, then of course nothing would ever change. I can remember a sentence spoken by [former Swedish] Prime Minister Palme in which he said that in his cabinet, every single minister is charged with unemployment. Perhaps that is somewhat of an overstatement but in any event, I have been trying to promote an approach under which every minister—in particular chiefs of economic ministries—while making various economic decisions, should be asking himself a question of what impact the decision will have on the unemployment situation.

[Bober] I see. We will return to that theme but let us keep discussing the ministry's role for a while longer. Last year, the ministry devoted 3.5 trillion zlotys for [unemployment] benefits, training courses, and loans to the unemployed, while this year, there are plans for the figure to rise to 5.7 trillion, not counting the 1 trillion which you [addressing Miller] quote, stole, unquote from [Land Use Management and Construction] Minister Blida.

Mr. Minister, these monies are not actually devoted to creating new jobs, but to the protections that you described, is that not so?

[Miller] No, no, they are largely devoted to creation of new jobs. You mentioned the almost 6 trillion zlotys which is devoted to so-called active forms of fighting unemployment. What are these active forms about? They include public works, interventionist measures, gaining new skills, and loans to the unemployed—these are naturally the most efficient type of measures. The real drama is about [hesitating] the fact that out of the Labor Fund, 90 percent of the financial means were devoted to unemployment benefits up to now, and only 10 percent, which we talked about, to active forms of fighting unemployment. What I tried to do was to increase the amount [devoted to the active forms], that is to say to change the disadvantageous ratios there. If the Sejm adopts the budget draft, then we will be able to increase the figure of 10 percent to 13 percent. That, of course, is only a slight increase, but it is better than no increase at all.

[Bober] I see. But the thing is, we are trying to use percentages as consolation here but my understanding is that during sessions of the Council of Ministers for instance, you meet with the other ministers. So how would you explain this strange situation where schools are educating future experts as we speak, but we already know at this stage that nobody will need those experts in a year, half a year, or two years? So the other ministries contribute to creating unemployment?

[Miller] Yes, you are right on that point. I mentioned the economic ministries but you rightly noted that there is also the Education Ministry, but I must admit that there have been some changes occurring recently, I mean that ministry has taken counteractive measures against any further functioning of schools whose graduates are bound not to find jobs in the region—these are mainly vocational schools, ones attached to factories and plants. And of course, without a close cooperation....

[Bober, interrupting] I see. But my understanding is that there must also be some cooperation with the Finance Ministry since it has the means either to promote or restrict entrepreneurship through its tax system and financial arrangements. In a situation where tax thresholds are raised on a motion of the Finance Ministry, then what is the result of that? The result is that the so-called gray area widens, incentives to work disappear, there occurs a willingness to hide one's own income, but it does not serve at all the cause of development.

[Miller] You are right in a way, but on the other hand, one cannot abandon the tax system completely. But I agree with you....

[Bober, interrupting] I am not in favor of such a move.

[Miller] I agree with you that the tax system should promote entrepreneurship and that is why my view is—and we will submit such proposals—that one must widen the system of various [tax] breaks, especially for investors who want to invest in areas which are particularly endangered by unemployment, I mean in gminas [small administrative units] particularly endangered by unemployment. There are over 400 such gminas, out of the total of about 2,500. So you see it is a very [hesitating] serious problem. We must look for new kinds of measures, for instance such measures that create incentives to those workplaces which employ graduates. Let me cite for you a really tragic number: About 30 percent of all the unemployed are young people, less than 24 years old. That number indicates how big the drama and the phenomenon [of unemployment] really is.

[Bober] The last report of the Business Center Club, which was released last week, suggests that there is... [Bober pauses] That Polish entrepreneurs can see a danger for the market economy. Now, if they can see a danger for the market economy, that means that they can see a threat for the industrial development in general. Again, the issue of creating new workplaces is being curbed, in a way.

[Miller] I believe that these are all exaggerated....

[Bober, interrupting] Exaggerated?

[Miller] Exaggerated fears concerning the question of how unemployment can be eliminated. I think that two conditions must be met; first, the economic growth. We

have a 4 percent economic growth; however, economic growth alone is still too little....

[Bober, interrupting] Perhaps this is within the limits of statistical error?

[Miller] In Spain, for instance, there is a lot of economic growth, but at the same time, 20 percent of the country is unemployed. Apart from the economic growth, there must be an active form of creating the labor market. That means.... [Miller pauses] I have already briefly discussed those active forms; however, I believe that we should take greater care of the regions threatened by unemployment as well as the social groups which are particularly threatened by unemployment. We should try to decrease unemployment there...

[Bober, interrupting] I understand; however, Mr. Minister, do you think that your colleagues, industry minister, ownership transformations minister, are of the same opinion? Indeed, I must agree with the view that it is not your ministry that creates unemployment. It is, actually, the activities of these ministries that create unemployment. Are they aware of these simple economic interdependences?

[Miller] You have placed me in a very difficult situation....

[Bober, interrupting] I want you to evaluate your colleagues.

[Miller] If I mention one minister and not the others, they will be offended. However, I have gotten the impression, especially in the recent weeks, that this agreement is greater, especially with the industry minister and the ownership transformations minister. You have mentioned Minister Blida. I would like to comment on that. Our conflict lies in the following....

[Bober, interrupting] That you take money away and she gives it back.

[Miller] 1.250 trillion zlotys are reserved for the implementation of a law that does not yet exist. This law on apartment rentals and expenditures will come into effect on 1 October this year—at the soonest. Until that time this money will not be used, probably to the satisfaction mainly of Minister Misiag—but not to my satisfaction. I suggest that this money be paid to people earlier; that is, the apartment allowances should be paid beginning on 1 April, once the budget is passed. The poorest families, which can obtain this money earlier, cannot wait until October, November, or December.

[Bober] Mr. Minister, can you possibly precisely answer the question of when we will really be able to see new workplaces created?

[Miller] Well, actually we still have two years to stop the process of increasing unemployment. It is worth recalling that it was supposed to amount to 400,000 when the process of transformation in Poland was just beginning in 1990. Why am I saying that we have two years? Because after that time, for demographical reasons, the number of young people looking for a job will rise dramatically. In line with some data, by 2010, in Poland there will be approximately 50 percent of the unemployed in the entire European labor market, with the exception of the states of the former Soviet Union. Therefore, we must make quite a fundamental breakthrough in this area over the two years; otherwise, we will not be able to control this process later on.

[Bober] That means that it is difficult to say precisely when we will be able to see....

[Miller, interrupting] I believe that it will be in the middle of this year, in May and June. At that time the number, which has already amounted to 3 million, will start to drop. This is related to the fact that we will start large-scale welfare work, intervention work; second, I think that these harbingers of the economic recovery will result in rather positive results.

[Bober] Thank you, Mr. Minister, for these explanations. They are not very comforting....

[Miller] They are just as they are....

[Bober, interrupting] However, it is not for this reason that we have invited you to the program. We rather wanted you to present the dangers of this situation, because it really is dangerous.

[Miller] Yes, the situation is really very dangerous. I believe that, if possible, as early as this year the Sejm should adopt an all-national program of combating unemployment. Why all-national? Because this task exceeds the strength of one ministry, or even the government. The state must take advantage of all the instruments that it has at its disposal.

[Bober] Thank you for these explanations.

[Baczynski] Mr. Minister, I think that, contrary to what Andrzej Bober said, many economists would consider you an extreme optimist—if you assume that in the middle of the year unemployment will stop increasing. According to some forecasts, we will not manage to avoid the level of 5 million unemployed, or an index such as in Spain—over 20 percent. Professor Kabaj, among others, forecasts that already now, if we took into consideration the concealed unemployment, there would be at least 1.5 million or 2 million more unemployed than the statistics actually show....

[Miller, interrupting] According to other statistics, this unemployment is smaller than the number of registered persons. We simply have a margin of persons who register themselves on those unemployment lists for other reasons.

[Baczynski] At any rate, we wish you good luck.

[Miller] Thank you.

Iliescu Discusses European Integration

AU0103163794 Bucharest DIMINEATA Supplement No. 109 in Romanian 26 Feb 94 pp 1, 4

["Interview granted by President Ion Iliescu for the magazine FORUM published under the aegis of the Council of Europe"; place and date not given: "Back to Our Natural Political Habitat"]

[Text] [FORUM] Mr. President, what does Romania's admission to the Council of Europe represent?

[Iliescu] Romania's integration in European democratic structures was a priority objective of our foreign policy, which was actually affirmed right at the beginning of the December 1989 revolution. This is in keeping with our fundamental interests, a fact that has been attested to by the interest shown by the entire Romanian political spectrum in our country's admission to the Council of Europe.

From an historical point of view, this event marks Romania's ultimate release from the ideological prison, which placed it in "Eastern Europe," and its natural reintegration in the area of European civilization and political beliefs to which it always used to belong.

The political changes that have occurred in Romania since 1989—complex and difficult changes that, from many points of view, were more radical than in the other Central and East European countries, ranging from the adoption of the new Constitution to the operation of the new institutional system of our political, economic, and social activity—have been recognized as contributing directly to the general process of change in Europe, in full accordance with the fundamental democratic norms and beliefs that have been preserved and promoted by this institution—the Council of Europe—that is a symbol of the renewal of the old continent .

[FORUM] As a full member of the Council of Europe, what are your priorities within this organization?

[Iliescu] Our priorities are the priorities of Europe. The creation of a new system of relations on the continent, both political and economic, and removing the consequences of past barriers do not take place on their own. There is, however, a tendency to preserve former gaps and to create new barriers to European reintegration.

The Council of Europe is the institution that is able to play an essential role in overcoming outdated mentalities and promoting fundamental human values that, at this point, are more necessary than ever before.

It can make a decisive contribution toward identifying new ways and means of communication and cooperation.

It can create a new basis for broaching our common problems, ranging from economic ones to those concerning our continent's security, which has deteriorated so much due to the persistence of open armed conflicts and the intensification of ethnic or religious conflicts. The reestablishment of the unity of civilization and culture in Europe, where diversity constituted a source of progress and cultural enrichment for all countries, constitutes, probably, our most important common objective. The Council of Europe is the institution that is best suited to promote its implementation.

[FORUM] On joining the Council, you promised to ratify the European Convention on Human Rights; these rights were seriously violated in your country before 1989. What is the situation regarding their reestablishment?

[Iliescu] Reestablishing fundamental human rights and freedoms in Romania represents and has always represented—right from the beginning of the December 1989 revolution—a major objective of the process of social change that is under way. The drafting and approval by Parliament, and later by means of a referendum, of the new Constitution marked a decisive stage in implementing this objective. The Constitution does not only express fundamental rights and freedoms directly, but it also stipulates, in an equal way, the prevalence of international laws in this area.

[FORUM] International public opinion is concerned about the minorities in Romania—Hungarians, of course, but also others, for example, the Gypsies. What policy will be practiced to eliminate this concern? In what way may the Council of Europe be of help in this respect?

[Iliescu] We intend to promote the policy of truth. As I have said before, Romania has no reason to develop complexes on account of its policy toward ethnic minorities.

Romania's laws and practice exceed by far the generally accepted standards in this respect; there are not many European states where minorities enjoy the same rights that they enjoy in Romania, especially the Hungarian minority: Representation in Parliament, local councils, education, cultural establishments, publications in their mother tongue, and so forth. Unfortunately, however, this reality was often distorted to such an extent as to cause the international public concern to which you are referring.

I regret that these false criteria are coming especially from countries that do not guarantee any rights to the ethnic minorities with whom they coexist, including Romanian ethnics.

We hope that our country's admission to the Council of Europe will enable us to step out of the shadow of neglect by the media into which we were pushed by both domestic and foreign forces hostile to truth and democracy.

We hope that the traditional Romanian tolerance that has developed and which today is characterized by the

absence of any ethnic discrimination in our society may be verified and made known to European public opinion.

Minorities in Romania are suffering because of economic difficulties, the strategic errors made by the recently removed totalitarian regime, the difficulties generated by the transition to a market economy, the effects of the observation of the embargo against former Yugoslavia and Iraq, and the world recession. They are suffering in the same way as most Romanians are suffering.

This is why I think that the "concern" voiced by public opinion for the fate of minorities in Romania has to be channeled toward seeking ways and means to ensure more appropriate economic cooperation—including a decrease in protectionism—, investments, and the transfer of managerial and technological know- how so as to be able to capitalize fully on Romania's tremendous human and natural potential.

[FORUM] Almost four years ago, the Council of Europe launched assistance programs for the democratization of Central and Eastern European countries. What do you think of these programs and what are your concrete expectations for Romania?

[Iliescu] The answer to this question is the same as that given to the previous question. Foreign assistance cannot be ignored, but our own efforts and determination have essentially helped Romania pass through the main stages—from the most despondent dictatorship to a European type of democratization—in a relatively short period of time. From the institutional point of view, the democratization process is, in general terms, finished, while, in terms of mentality, development follows the nature of things, that is to say, more slowly. All experts view our Constitution as being very modern and democratic. We have pluralism, separation of state powers, and freedom of opinion, speech, press, and association and, in the past three years, we have had four electoral consultations with the people (after the general elections, local elections and a referendum on the Constitution) which were recognized as being free and correct not only according to the law but also in practice; we have all the elements needed to guarantee democratic political activity. At this point, there is no economic threat. However, if the current economic recovery were to be halted, any development would be possible, despite the Romanian people's craving for democracy for the sake of which they braved the bullets of the dictatorship in December 1989.

One should not forget that Hitler installed totalitarianism in Germany in a politically democratic society that was facing, however, economic collapse. Therefore, the main way in which Europe can assist democracy in Romania is—I am going to say this although I risk repeating myself—through open economic cooperation, opening markets for Romanian trade, and through investments and transfer of managerial and technological know-how.

[FORUM] After Bulgaria, your country is the second country within the Council of Europe with a common border with the new Yugoslav Federation against which the international community has imposed restrictions. This physical contact offers you the privileged position of an observer. How do you assess the development of the current situation?

[Iliescu] Our relations with the Yugoslav Federation, with the countries within former Yugoslavia, are, in actual fact, special. Romania is a country that, throughout history, has not had any disputes or confrontations with any of those countries. We will continue to believe, as we have always affirmed, that, in order to avoid an escalation of bloody violence, the regulation of the situation in this area—the current situation in the Yugoslav Federation can be assessed only by bearing in mind all the problems created by the dismemberment of former Yugoslavia—can be achieved only through political will and dialogue. This should be the only direction in which events should develop: A peaceful solution.

Whether this comes sooner or later, involving costs and human sacrifices, as well as lower or higher economic losses, depends, first and foremost, on the wisdom of the sides involved in the conflict, but also on the capability and concern of other forces that are able to arouse the interest of the world community in order to eliminate this dangerous source of conflict in the heart of Europe. We are certainly interested in a rapid solution to the differences and in the removal of the embargo that has had an enormous effect upon our economy from every point of view.

PDSR Refutes 'Insulting' PRM Letter

AU0103211594 Bucharest ROMANIA LIBERA in Romanian 24 Feb 94 p 3

[Statement adopted at the meeting of the Central Executive Bureau of the Social Democracy Party of Romania in Bucharest on 22 February; published by ROMANIA LIBERA under the headline: "Divorce, For Reasons of Love"]

[Text] The Social Democracy Party of Romania [PDSR] took note of the open letter that the nine members of the Greater Romania Party [PRM] leadership addressed to President Ion Iliescu. This letter directly affects our relations with the PRM, which has thus announced the electorate that it "suspends all negotiations begun with the PDSR regarding a participation in the government."

In these circumstances, it is necessary to explain our party's position on the issues raised by that letter, which motivated the respective decision of the PRM leadership.

With Electoral Demagoguery, Forward!

1. The letter of the nine members of the PRM leadership depicts the current Romanian society in a way that we cannot agree with. Their description of the country's situation, in apocalyptic terms, is not based on a serious analysis of the circumstances. We would have expected the leadership of a parliamentary party to overcome the stage of electoral demagoguery and make a profound analysis of the processes and trends in Romanian society.

The situation is indeed difficult, but a lucid examination should primarily emphasize the causes of this situation. After the 1989 revolution, Romania has lost half of its foreign markets and the mechanisms of the centralized economy were eliminated without us having developed the specific mechanisms of the market economy to replace them. All this has caused Romanian industry to operate at half of its capacity.

To all this, one should add the Gulf crisis, which caused Romania losses amounting to almost $3 billion, and the embargo imposed against Yugoslavia, which cost us another $7 billion in direct and indirect losses.

Romania has been and is still being faced with a number of very serious crises. Their cumulative effect is quite hard to endure and it has generated social discrepancies, various cases of corruption, and a state of discontent among the people, who must cope with many hardships.

However, one cannot solve these problems through laments and demagogic and populist formulas. You need an authentic will if you want to accomplish that. The real problems of the economy must be solved by taking into consideration the context of the real world, the world in which we live and from which we cannot isolate ourselves, by replacing it with an utopian world or by turning back to the past.

From "Proven Criminals" to the "Future Convicts"

2. The entire language used in the letter is vulgar and unworthy of the leadership of a parliamentary party. It abounds in totally unfounded accusations and personal attacks, which again prove that the nine signatories of the letter consider themselves to be above the law. They want to supplant our legal bodies—which are the only ones in a position to decide who are "proven criminals" and "future convicts"—on the basis of arguments contained in some anonymous letters sent to the editorial staff of the ROMANIA MARE and POLITICA magazines by "several earnest Romanian women with the fear of God in their souls," by "a group of generals," or others.

The rule-of-law state relies on arguments, proofs, and the observance of rights and laws, primarily the observance of the basic principles of the presumption of innocence until proven otherwise. The rule-of-law state does not rely on letters received by the editorial staff, on their number, on the "people's verdict," or on the conviction of some party leaders that they represent the law. We cannot accept the "judicial messianism" that the nine members of the PRM leadership arrogate to themselves. They may display its exclusively before their supporters, at their party meetings; however, in their capacity as parliamentarians, they must subordinate themselves to the law, as far as their actions and manners are concerned.

We believe that, before pronouncing on the major problems of the country, the nine members of the PRM leadership should begin by apologizing to those whom they have slanderously attacked in their letter, primarily the country's president.

Slightly More Than 3 Percent

3. In connection with all this, we would like to state our position vis-a-vis the claim of the PRM leadership that it speaks on behalf of the people or of "the Romanians" and that it "echoes the people's discontent." We believe that these habits, which were acquired during the reign of the sole party, cannot be imposed on us as a norm of behavior and a criterion of political superiority; they might belong to a party that, although it claims to represent "the Romanians," have barely exceeded the 3 percent threshold required for being represented in Parliament.

In a pluralistic democracy, the PRM leadership only has the right to talk on behalf of the "25,000 card-carrying members." Whose capacity to mobilize correctly reflects the people's interests is periodically checked by elections.

4. As a matter of fact, the entire letter signed by the nine members of the PRM Steering Committee proves that it is motivated by electoral campaign considerations, rather than the desire—if any at all—to find solutions and answers to the real problems facing Romanian society today. The reference to early elections that can be found at the end of the letter proves that the PRM leadership is not concerned with the consequences of political acts and of their own responsibility. The appeal, which is made in a purely electoral style, to "all Romanians who love their country" and whom the National Bloc is "awaiting with open arms," has nothing to do with tackling and solving the country's problems.

Patriotism as a Party Monopoly

5. We consider that patriotism cannot be the monopoly of a political party, the PRM's appanage. Being a patriot does not mean isolating Romania from the modern world, but rather protecting its interests and sovereignty within the framework of the modern world. You do not accomplish this by going back to the communist system and rekindling Ceausescu's image, but by realizing that our country's evolution depends on European developments, which the PRM seems to ignore. Our political intelligence and the principles and values we believe in should not lead us to making enemies left and right—

both inside the country and abroad—through demagogic, populist, xenophobic, or antisemitic speeches.

These manifestations, which are unanimously condemned, project an unfavorable image for Romania abroad and cause us great difficulties in connecting our country to the modern world.

6. It is true that we have reached a pretty tense situation in the country's political life. A good part of these political tensions, which affect the government's action capability, were artificially created, on the one hand by the ambitions of certain politicians who want to change the composition of the government at all costs and, on the other hand, by an erroneous understanding of the role of the opposition in a pluralist democratic system.

All these problems can be resolved through negotiations among the political parties. Therefore, the PDSR welcomed the Romanian president's initiative on the conclusion of a political pact and pledged to achieve it.

From the letter of the PRM Steering Committee, we note that the differences between our parties on the ways and means to overcome these tensions are profound and quite susceptible to lead to a real political crisis, whose consequences—imputable to the PRM leadership alone—the PDSR is ready to face.

Inciting to Violence

7. Resorting to totally groundless propagandistic cliches ("imported reform") and accusing the government of things that it has not done, and which actually contradict our party's principled positions ("shock therapy"), the PRM is projecting a true scenario of incitation to violence and justification of violence. The exclusively negative description of the country's situation should serve the goal of presenting the PRM leadership members as "justice seekers," the only one capable of saving the people from being "robbed" by the "alliance" between the power and the opposition.

At the same time, this true denigration of the country seems to be a justification of violence. The message of the PRM leadership's letter is that, if there is misery, hunger, epidemics, and crime, the only solution to all this is violence—the violence of the workers from the Grivita Workshops and a "possible outbreak of popular despair," which, in the view of the PRM leadership, "would be more devastating than the December 1989 revolution."

The entire text of the PRM leadership's letter contains no concrete solution. The proposed political philosophy seems to be the threat that "if we come to power, within 24 hours we will do away with the robbery, chaos, and the profanation of the Romanians in their own home."

A Simplistic Way of Thinking

Beyond the recollection of other times and political forces, when some "24 hour" solutions were tried out, this passage clearly proves a simplistic way of thinking, for which the entire process of institutional restructuring is nothing but "chaos," while the economic reform and the privatization process are nothing but "robbery."

We have all due respect for an economist from Diaspora, such as Professor Anghel Rugina. However, we are not convinced—as the nine members of the PRM leadership seem to be—that "this idealist," who, out of objective reasons, is not familiar with the specific problems of the Romanian economy, would have a plan that can "avoid all the errors committed in the other Eastern countries." We are open to his ideas, but we consider it an unacceptable insult to accuse our government, the Romanian economists engaged in working out and implementing the reform, and those who are planning the integration of the Romanian economy into the European and world economy of being "doubtful experts only intent on lining their own pockets."

8. In these circumstances, the PDSR can only take note of the decision to suspend the talks that the PRM leadership has adopted. The responsibility for this act and its implications fully devolves on the nine members of the PRM Steering Committee. As a matter of fact, given the "platform" emphasized in that letter of the PRM leadership, it is hardly likely that we can still find some elements of dialogue.

For us, it will be very difficult in the future to differentiate between the pamphlet writer Corneliu Vadim Tudor and the party leader Corneliu Vadim Tudor, head of the PRM. At the same time, we believe that the PRM members will show understanding for our position. As far as our relationship with the PRM deputies and senators is concerned, we have often had constructive, joint or closely similar positions on certain draft bills. However, we assure them and the PRM rank-and-file members that we are still open to a dialogue with them, provided that party leaders show responsibility, that they are prepared to adopt reasonable positions, and that they are truly concerned with the real problems the country is facing in this period of transition.

This statement was adopted at the enlarged meeting of the Central Executive Bureau, with the participation of the PDSR parliamentary groups, on 22 February 1994.

PDSR Leader Discusses New Government Formula

AU0303070394 Bucharest DIMINEATA in Romanian 24 Feb 94 pp 1, 5

[Interview with Oliviu Gherman, president of the Social Democracy Party of Romania, by Mihai Fabian; place and date not given: "We Envisaged a Long-Term Government Formula"]

[Text] [Fabian] Mr. President, will we or will we not have a new government by 1 March? If yes, what will be its "color"?

[Gherman] Prime Minister Vacaroiu is the most authorized person to answer this question. We voted confidence in Prime Minister Vacaroiu and suggested that he should make certain changes to the current government formula. Therefore, we will not have a new government, but it is very likely that we will have a government reshuffle by 1 March 1994.

[Fabian] It is said that this government will be a coalition between the PDSR [Social Democracy Party of Romania] and PUNR [Romanian National Unity Party].

[Gherman] We would be slightly anticipating things if we were to make such an affirmation. Even from the protocol concluded with PUNR, it has resulted that it is not strictly necessary to have a government that includes members of political formations but members recommended by certain political formations. Nevertheless, we agreed that among the recommended persons, there should be a competition of professionalism. Therefore, if PUNR recommends a person who exceptionally fulfills all the conditions in those areas that we believe the government's activity was less than efficient, then we will accept that person. If you carefully read the protocol with PUNR, you will see that the fundamental criteria is professionalism. Therefore, it is not excluded that modifications might be made to the current structure of the government and it is not excluded that people recommended by PUNR might be included in the government. Regarding the respective person's affiliation to a party, the problem is a little more complex because this issue is not a clause specifically stipulated neither in the protocol nor in our understandings.

[Fabian] Thus, people recommended by PUNR might become government members. Could it happen that none of the new members would belong to PUNR?

[Gherman] This has not been requested in the protocol.

[Fabian] Has PUNR not insisted on this issue?

[Gherman] I cannot disclose any more information in this discussion. Certainly, we thought about the variation that the recommended people should be PUNR members, but, precisely in order to give a broader scope to proposals, we agreed that the respective people should be recommended by PUNR.

[Fabian] Were there ministries about which more heated discussions were held, in the sense that the PDSR would have liked to maintain control over those sectors that are believed to be key sectors? Does PUNR in turn wish to obtain certain ministries?

[Gherman] The biggest mistake that a politician could make would be to publicly reveal intentions referring to certain proposed moves. Everyone is curious. Everyone would like to know whether the changes we are going to make will affect education, culture, or finance. However, such a thing is announced the moment the change has been carried out. There is no country in the world where various aspects of a business, banking operations, or issues connected with the government are announced to the public before the changes have been made. Thus, no matter how much sympathy I would feel toward your newspaper and you personally, and even if I knew exactly what changes are going to be made, it would be a real mistake to disclose them before the change itself has been carried out.

[Fabian] A new formula for a government reshuffle has been negotiated. Has the durability of the new government formula been discussed, or has it been viewed as a team that should ensure the process of transition until appropriate conditions are created for more fundamental, ample, and even more open discussions with the opposition?

[Gherman] We have not negotiated a stage, while keeping the next one in mind. We discussed these aspects with the parties that are included in the government in order to resolve the problem of governing. If the respective solutions prove to be very efficient, it means that we have no reason to think about them as short-term solutions. Thus, we have not established a certain trial period or a limited period of time for this solution. On the contrary, we wanted it to be a long-term solution. Thus, this is not a transition government, a government that should ensure that we cross the bridge. It is a government that we envisaged as a long-term one.

[Fabian] When the new government is established, it has to do its job. It needs parliamentary support. In the light of the latest stand taken by the PRM [Greater Romania Party] and the PSM [Socialist Party of Labor], it is difficult to believe that the PDSR will continue to enjoy the necessary parliamentary support. Some percents are missing. Have you thought about getting them from somewhere else?

[Gherman] Your hypothesis is erroneous. Namely, I do not believe in nor do I foresee any modifications in the option of the PRM and the PSM. I do not believe they will join the opposition to form a parliamentary opposition—at least that is how I see things, even if in both cases negotiations on a new government formula have been suspended.

[Fabian] The conditions under which the government continues its activity are unusual. There is talk about accepting an austerity program. What are the measures that the PDSR is proposing to take in order to attenuate as much as possible the deterioration of its prestige?

[Gherman] In our government program, we propose to reduce the effects of this austerity program to a minimum. We are certain that by the end of 1994, the country's economic situation will have improved considerably, which will implicitly lead to an improvement of people's living standard.

[Fabian] During your discussions, have you thought of the possibility that the new government team might be able to settle the conflict with the trade unions and ensure credibility abroad?

[Gherman] We have constantly maintained cooperative relations with all the trade union confederations. First of all, we have taken note of all viewpoints regarding the credibility of a government reshuffled in accordance with the views expressed by those trade union confederations. There has been a constant, substantial exchange of information, opinions, suggestions, and even certain variations that were presented by both partners.

As far as credibility abroad is concerned, I have learned a very tough lesson—namely that credibility abroad can only be achieved through credibility at home. If we work better and more efficiently, we will achieve better economic results and, thus, eliminate embarrassing elements from our relations with other countries. Our credibility will be ensured. Here is an example: If we eliminate all acts of chauvinism and anti-Semitism, and condemn such attitudes, if we try to maintain a temperate and democratic atmosphere in our country, and, at the same time, prove the efficiency of our government, then our credibility is ensured. We will have to overcome a superficial aspect of identifying certain parties with certain people. If you study the documents that have been signed by us, including the protocol with PUNR, you will realize that these are in complete and total agreement with the requirements of the Council of Europe, as well as the European Community. Therefore, one can take substantial steps forward and they will certainly be noticed by our foreign partners.

Serbs, UNPROFOR Exchange Fire in Sarajevo

AU0303103494

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0900 GMT on 3 March carries in its regular 10-minute newscast several reports on the fighting in the republic. Reception is fair.

The Bosnia-Herzegovina Army 1st Corps Information Center reports from Sarajevo that "this morning just after 0800 the chetniks fired with small arms on members of the UN Protection Forces [UNPROFOR] in the Jewish cemetery area. UNPROFOR immediately returned fire. The aggressor also directed small arms fire at Mijatovica Kosa."

Describing the situation in the Bihac region, Mirza Sadikovic describes "yet another hellish night here, with incessant shelling of the defense positions in (Grabez) and Hasin Vrh. After firing hundreds of howitzer shells and mortars, the chetniks attempted an infantry breakthrough at (Vrh), but the 5th Corps' heroic defenders managed to repulse it." He says that "around midnight they [the Serbs] mercilessly shelled the center of Cazin and its outskirts."

Summing up the military situation yesterday in its operational zone, the Bosnia-Herzegovina 3rd Corps Press Center says that "it was relatively quiet. The chetniks intensified their small arms fire on the Zavidovici front, and occasionally shelled the defense lines and civilian targets from (Podseljanici), (Podmalovani), and Glavica. They were seen regrouping and bringing in more military hardware, and frequent helicopter flights were also reported on the Mt. Ozren-(Vozuca) route. The chetniks fired several 120-mm mortar and B-1 artillery shells at Bugojno, wounding one child. They also fired five 60-mm mortars at Mala (Oporista) on the defense line toward Teslic." He says that "the cease-fire in central Bosnia was seriously violated last night at 1840 in Vitez, when a group of HVO fighters entered no-man's land near (Ciganluk) and blew up a house. Sporadic provocative fire was registered in this region, particularly around Kruscica, [words indistinct]. As for Gornji Vakuf, the HVO fighters fired several 60-mm and 82-mm mortars. On the other parts of the front, there were absolutely no violations, particularly in the Bilalovac region, where not a single bullet was fired."

In his report from Gracanica, Izudin Durakovic says that "over the last 24 hours, the enemy continued to attack the entire front line in the operational zone of Operative Group 2. The chetniks launched their heaviest attacks on the Trebava part of the front. Using heavy artillery support, they attempted an infantry attack toward (Prijeko Brdo) and Lukavica, but the defenders were not taken by surprise. Indeed, a counteroffensive enabled them to extend the front line to our advantage. The chetniks will most certainly try to recapture that territory today." He says that "as for the Doboj front, the chetniks fired 80-mm and 120-mm mortars at the defense lines and at civilian targets in Brijesnica, (Stanic Rijeka), and (Klopotnica). On the Lukavac front, the chetniks fired from Vijenac at residential areas, killing one civilian and wounding three. At the moment of filing this report, the enemy is shelling Gracanica, and the general alarm has been in force since 0635 this morning."

The Bosnia-Herzegovina Army 4th Corps reports from Mostar that "the cease-fire is generally being observed here. There are still some provocative bursts of small arms fire and sniper activity on the streets of Mostar, and intersections in the city center. The HVO fighters were somewhat more active on the southern parts of the Mostar area. One 120-mm mortar was fired from the enemy positions, while antiaircraft machine guns were firing sporadically at the defense lines. Negotiations on the exchange of prisoners of war are to continue today in Medjugorje." He says that "overnight and this morning have been quiet."

UNPROFOR Asks U.S. To 'Rush' Troops

AU0303134794 Paris AFP in English 1333 GMT 3 Mar 94

[Excerpts] Zagreb, March 3 (AFP)—The commander of UN troops in the former Yugoslavia, General Jean Cot, on Thursday [3 March] asked the United States to rush troops to Bosnia-Herzegovina to consolidate the ceasefire, particularly in Sarajevo.

The UN Secretary General's special envoy for the region, Yasushi Akashi, meanwhile criticized the international community for its "lukewarm and negative response up to date" on the urgent need to send reinforcements to Bosnia. He said the UN Protection Force (UNPROFOR) needed an additional 10,650 troops immediately, 4,600 of them to be deployed in Sarajevo and the remainder to monitor a ceasefire agreement between the Moslems and Bosnian Croats in central and southern Bosnia.

Cot echoed Akashi's criticism saying that NATO's readiness to send troops to Bosnia only after a global peace accord is reached "was a funny and not very courageous idea." "They can all change their mind and send troops tomorrow if they wanted," he said. "I really wish the United States could dispatch ground troops tomorrow.

"What I need are troops immediately and the nations that can send send these troops immediately can be counted on one hand—the Americans, the British and the French."

He said NATO initially was considering sending 100,000 additional troops to Bosnia but the number had been reduced by half, to 50,000.

"Today, I'm asking for 10,000, and if they don't want all the headway we've made in Sarajevo to fall through, we need these troops immediately," Cot warned. [passage omitted]

Meanwhile in Britain, a serious clash is looming between the British Government and defence chiefs over the government's refusal to send more troops to Bosnia, the

DAILY TELEGRAPH reported Thursday. Military service chiefs say the 2,300 troops there are so thinly spread that they could be dangerously exposed if the war worsens, it said.

Izetbegovic, Tudjman To Sign Accord 15 Mar

AU0203212594 Paris AFP in English 2118 GMT 2 Mar 94

[Text] Sarajevo, March 2 (AFP)—The final accord creating a Bosnian federation of Croats and Moslems will be signed on March 15 in Washington, Bosnian Prime Minister Haris Silajdzic said in a television interview here Wednesday [2 March]. Bosnian President Alija Izetbegovic and his Croatian counterpart Franjo Tudjman will sign the document, following the accord reached Tuesday [1 March], Silajdzic said from Washington.

The accord calls for a federation of Bosnian Croats and Moslems, comprising a number of cantons. The cantons would have equal rights, with a central government in charge of foreign affairs, defense and trade. Bosnian Serbs are not included in the deal.

Silajdzic added that experts from the two sides would in the meantime work on a new constitution, both for Bosnia-Herzegovina and for a future confederation of the Bosnian and Croatian republics. These experts would meet in the U.S. embassies in Vienna, he said. Silajdzic said he would shortly travel to Moscow.

Krajisnik Protests Alliance

LD0203175394 Belgrade TANJUG Domestic Service in Serbo-Croatian 1506 GMT 2 Mar 94

[Text] Novi Sad, 2 Mar (TANJUG)—We have conveyed our view to the Russian side that we do not oppose in the least the agreement between the Croats and Muslims, provided it is directed toward peace, Momcilo Krajisnik, president of the assembly of the Srpska republic [RS] and member of the RS delegation in Moscow, told Novi Sad radio today.

"Developments have so far shown that the intentions of the Croats and Muslims are such as to form a block against the Serbian side," he said. "We are going to exchange views on this today with the speaker of the Upper House of the Russian Federation in Moscow."

Krajisnik said it is the U.S. Administration's mistake to assume that the Serbs will bow to pressure and do something against the Serbian people's interests. He noted over the phone that the Serbs have offered maximum concessions to the Muslims—33.3 percent of territory—in order to secure peace among all three national communities in former Bosnia-Herzegovina.

"However, the Serbs will not accept a solution that would be considerably detrimental to the Serbian people's strategic interests. This is why we regard this agreement in Washington as some sort of action against the Serbian people. It is incomprehensible that such an agreement is being drawn up which isolates the Serbs, and which intends to create an artificial and unfeasible entity."

Krajisnik warned that the division of the Serbian part of the territory of former Bosnia-Herzegovina could be dangerous: "Our messages are: Don't count your chickens before they are hatched, and that there can be no peace if one tries to exclude Serbs from the agreement."

The president of the Srpska republic assembly said that, had the organizers of the Washington meeting been in favor of an agreement with the Serbs, they would have invited them to attend the conference and tackled the problem together.

"It is inconceivable that anyone should conclude an agreement between Croats and Muslims and then impose this stand on the Serbs," he said.

Krajisnik said that the Serbs cannot be forced to have one-third of the former Bosnia-Herzegovina territory because they own 64 percent of the territory.

"A just solution and peace cannot be achieved by means of pressure, blackmail, and ultimatums. Such a practice can only prolong the war," said Krajisnik in conclusion.

Silajdzic Comments on Agreement

LD0203202794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1900 GMT 2 Mar 94

[Statement by Bosnia-Herzegovina Prime Minister Haris Silajdzic in Washington on 2 March—recorded]

[Text] We have made the biggest step toward peace. I think that the signing of the agreement last night should mark the beginning of a process to (?eliminate) the conflict and to (?regulate) an overall peace in the new, territorially reorganized part of our homeland. In other words, this is an indispensable prerequisiste for creating specific conditions: first, to facilitate the return of all refugees and displaced persons. This we see as being the most important issue. In other words, everyone to return to his or her home. This is our main goal. We know it will be difficult to attain it but we are working on it.

Second, to begin the process of reconstruction, development, and consolidation in our country both by relying on our own resources and with the help from the international community—this was the topic of discussion with Mr. Preston, the president of the World Bank, in particular, and with Vice President Gore and Mr. Christopher on several occasions.

I must say—and we stressed this point last night during the signing ceremony—that this agreement would not have been possible without the direct involvement on the part of the United States and of top U.S. officials.

We have been trying for two years to give the U.S. public a true picture of Bosnia-Herzegovina, to spur the U.S. public and leadership. The seeds we have been sowing for two years are now sprouting. It seems to us that Washington, the capital of the democratic United States, is the right place for both the talks and the signing of this preliminary agreement and the final agreement which, we hope, will be signed by Presidents Izetbegovic and Tudjman on 15 March. That is the date we arranged. We hope that all work will be completed by then.

However, this diplomatic activity was made possible by the heroic efforts of our soldiers who liberated parts of the territory. This was a basis for the diplomatic and political activity. We have proved that we were not only a political but also a military factor without which diplomatic activity could never be sufficiently successful.

A great deal of work still needs to be done. Above all we must maintain this level of involvement and interest on the part of the United States, the allies, Russia, and UN member countries to achieve peace. For this reason we will be going to Moscow to meet Minister Kozyrev and other officials. Russia is without a doubt an important international factor and we will try to examine possibilities of an agreement with the Serb side.

I expect a lot of work on the preparation and the drawing up of the federation's constitution and the confederal agreement with Croatia. This work will be accomplished at the U.S. Embassy in Vienna. A team of experts has already been sent there. Once the text of the constitution and the confederal agreement between the Republic of Bosnia-Herzegovina and the Republic of Croatia has been coordinated, Presidents Izetbegovic and Tudjman are expected to sign these agreements in Washington. Very little time remains and a great deal of work needs to be done.

To conclude, I still have another meeting today in the State Department in connection with further activities and talks.

Signing Ceremony Described

AU0203174694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Mar 94

[Text] At last night's festivity held in a secretariat in Washington, after several days of negotiations, two preliminary agreements were signed. One concerns the joint federal state of Muslims and Croats from Bosnia-Herzegovina and another the confederation of Bosnia-Herzegovina with Croatia. The agreements were signed by Dr. Haris Silajdzic, prime minister of Bosnia- Herzegovina, Kresimir Zubak, representative of the Croats of Bosnia- Herzegovina, and Dr. Mate Granic, minister of foreign affairs of the Republic of Croatia.

The agreement on the joint state of Muslims and Croats envisages the creation of a federal state with a strong central authority but also with a high degree of autonomy for the federal units. It is envisaged that in the federation, the central authorities would be in charge of defense of the country, economy, foreign politics, finances, and trade. The federal units would be of decisive influence in the organization of police, schooling, health services, and other spheres.

The preliminary agreement on creating a confederation of the Republic of Bosnia-Herzegovina and the Republic of Croatia envisages looser relations between the two states, something that could be furthered later. Details of these agreements will be worked on in detail by transitory councils that will begin working in Vienna at the end of this week. The agreements should be ratified by the two countries' assemblies.

Serbs Report Croat-Muslim Clashes

LD0303104594 Belgrade TANJUG Domestic Service in Serbo-Croatian 0905 GMT 3 Mar 94

[Text] Bileca, 3 March (TANJUG)—The information service of the [Bosnian Serb army] Herzegovina corps said this morning that Muslim forces resumed their sporadic combat activities in the upper and central Drina river basin last night. More intense Muslim attacks were in evidence in the wider Gorazde area. The targets were Foca and Cajnice.

Serb military sources said that despite their latest agreement, Croats and Muslims had resumed their clashes in the Neretva valley. Fighting went on throughout the night in Mostar's southern zone, and in the area of Jablanica, TANJUG has learned from Serb military sources.

Muslims Violate Cease-Fire With Croats

LD0203171694 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 2 Mar 94

[Report by Zdenko Vranjes]

[Excerpt] According to Croatian Defense Council [HVO] sources, Muslim forces seriously violated the cease-fire east of Prozor where they launched an infantry attack on the HVO positions near the village of Uzdol. The attack was repelled. The UN Protection Forces have been informed.

Snipers were mainly responsible for cease-fire violations on other battlefields. One elderly person was wounded in the western part of Mostar by a sniper shot fired from Muslim positions. According to the Herceg-Bosna ministry of defense, snipers have lightly wounded two persons. [passage omitted]

Serb Artillery Kills 11 in Bihac Aid Line

AU0303120494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 3 Mar 94

[Text] Serb aggression against the free parts of Bosnia-Herzegovina is not letting up. Following the tried and

tested Sarajevo ploy, the criminal [Serb military leader Ratko] Mladic's gunners continue to murder civilians.

After yesterday's massacre in Bihac, when 11 citizens were killed and dozens wounded in a queue for the distribution of humanitarian aid, the Serb aggressor is again today attacking this region ferociously. The Bosnia-Herzegovina Army 5th Corps fighters are still managing to repulse all these attacks, unshakable in their commitment to defend their people and their territories.

Hospitals Reportedly Full

AU0203163794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Mar 94

[Report by Mirza Sadikovic]

[Text] The Serbian aggressor this morning resumed artillery-infantry attacks on the Bihac region. Defenders at (Vlasko), Hasino Brdo, and Grmusko-Srbljanski Heights have been submitted to unprecedented howitzer and tank fire, which has killed a large number of them. Although they have been suffering constant losses in manpower and military hardware, the chetniks are still mindlessly attacking. Heroes of the 5th Corps have destroyed one enemy antiaircraft gun, two ZIS weapons, and several motor vehicles, which obviously serves the chetniks with a reason to continue and increase their wild artillery activity on Bihac, Cazin, and their outskirts. There are dozens of injured civilians due to the systematic destruction of settlements over the last 24 hours. Local hospitals are full, and there are hardly any basic first aid kits. Chetnik helicopters are still freely flying over the Bihac area bringing in new manpower and new artillery. The world is still calmly observing this [word indistinct] and disappearance of people and tows from the face of the earth.

'Heavy' Serb Shelling in Brcko, Gradacac

AU0303105094 Paris AFP in English 1038 GMT 3 Mar 94

[Text] Vitez, Bosnia-Herzegovina, March 3 (AFP) - The Moslem-led Bosnian Army has come under "heavy shelling" from Bosnian Serbs in the northern Tuzla area but a Moslem-Croat truce generally held in central Bosnia-Herzegovina, western military sources said Thursday [3 March].

"Tension increased with heavy shelling in the morning and in the afternoon" of Wednesday, said the sources in central Bosnia.

Some 250 shells exploded over the worst-hit area, the Bosnian army-held Gradacac and Brcko zone, 40 kilometers (25 miles) north of Tuzla, while 190 shells rained down on a "confrontation line" about five kilometers (three miles) east of Lukavac, near Tuzla. Automatic gun fire and and mortar fire was reported at the front lines, the sources added.

In central Bosnia, the ceasefire signed Friday by Bosnian Croats and Moslems appeared to have been generally respected. In the southern city of Mostar, the truce was "almost respected." Five shells hit the Croat-besieged eastern part of the town, where some 50,000 Moslems are holed up.

A joint Croat and Moslem committee is to meet around midday Thursday at Gornji Vakuf, 60 kilometers (35 miles) west of Sarajevo. It will be their third meeting since the truce was signed a week ago.

Gornji Vakuf marks the front line between Croat forces and the Bosnian Army in southern Bosnia and is where the situation is considered "most volatile," the sources said. However the sources were unable Thursday to confirm a report that the Bosnian Army had launched an offensive Wednesday in the east of the war-torn town.

The sources said they believed the Bosnian Army might try to grab more territory before the joint committee, presided over by the UN Protection Force (UNPROFOR), firmly established where the front lines lay.

Maglaj Defenders Kill 20 Serb Soldiers

AU0303133894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 3 Mar 94

[Report by Smajl Terzic from Maglaj]

[Text] At the time of filing this report, and it is 1400 now, all the defense lines in the zone of the 7th South Operative Group are under fierce attack, as the [Serb] aggressor tries to capture Maglaj. The united [B-H Army and HVO, Croatian Defense Council] units are not yielding an inch of the free territories of Tesanj, Maglaj, Doboj, and Teslic.

At about noon today, the heaviest artillery and infantry attack so far was repulsed in the region of (Suskova Kosa) and Bandera. During the day an infantry attack on (Planike) was been repelled, where our fighters inflicted heavy losses on the enemy. Some 20 chetniks were killed, and the same number were wounded.

In the operational zone of the 203d Glorious Motorized Doboj-Bosnia Brigade, the aggressor has been attacking ferociously, but to no avail. Civilian targets are coming under continuous shelling, while sniper fire is incessant in (Miljevac), (Bugarilovici), and (Jelovci).

We know for a fact that chetniks Rade (Subotic) and Nebojsa Milakovic are particularly notorious for killing civilians. One of them is responsible for killing a one-year-old child in its mother's arms, as she was on her way from [word indistinct] to the Tesanj war hospital.

UN Claims Cease-Fire Holding in Region

AU0303132594 Paris AFP in English 1318 GMT 3 Mar 94

[Text] Sarajevo, March 3 (AFP)—UN officials maintained Thursday [3 March] that a ceasefire was holding throughout Bosnia-Herzegovina despite reports of shelling in various regions including the Bosnian capital.

"The ceasefire is going well all over Bosnia-Herzegovina except for small arms fire which is basically insignificant," said Lieutenant Colonel Bill Aikman, spokesman for the UN Protection Force (UNPROFOR).

Earlier, Bosnian Serb forces besieging Sarajevo fired four mortars toward positions of the mainly Moslem Bosnian Army in the southern part of the city and small arms fire could be heard for about five minutes.

Aikman said UN military observers enforcing a ceasefire agreement that went into effect last month were immediately dispatched to the region to restore calm. "In Sarajevo, the ceasefire is holding," Aikman said. "As you can see, the people can walk and be comfortable."

Since February 20, the deadline set by NATO to launch air strikes against the Serbs if they failed remove their heavy weapons from around Sarajevo or place them under UN control, the Sebs have surrendered 276 cannons and the Bosnian Army has handed in 47, Aikman said.

Elsewhere in Bosnia Thursday, UN military observers reported troop movement around the northern town of Brcko, which has come under heavy shelling by the Serbs. Western military sources said some 250 shells exploded Wednesday in the region of Gradacac and Brcko, 40 kilometers (25 miles) north of Tuzla, while 190 shells rained down on a "confrontation line" about five kilometers (three miles) east of Lukavac, near Tuzla. Automatic gun fire and mortar fire was reported at the front lines, the sources added.

"Tension increased with heavy shelling in the morning and in the afternoon" of Wednesday, the sources said.

Further west in the town of Bihac, local Moslem troops successfully thwarted an attempt by the Serbs to infiltrate the town while the situation in Mostar, divided between Croat and Moslem troops, was said to be "very calm" Thursday despite five shells falling on the Moslem sector.

In central Bosnia, the ceasefire signed Friday by Bosnian Croats and Moslems appeared to have been generally respected.

As for the northern town of Maglaj, which is besieged by the Serbs, UN officials were unable to update the situation there Thursday following reports that 4,000 shells had fallen on the city and neighboring towns the previous day.

Kris Janowski, spokesman for the UN High Commissioner for Refugees (UNHCR), said his agency was still waiting for the Serbs to allow a relief convoy to reach the city.

Relief convoys to Maglaj, whose pre-war population of 16,000 was 45 percent Moslem, were suspended in October after two UNHCR drivers were killed just outside a tunnel that leads to the city.

Ambassador to U.S. on Accord With Muslims

LD0303131994 London ITV Television Network in English 1900 GMT 2 Mar 94

[Satellite interview with Petar Sarcevic, Croatian ambassador to the United States, in Washington, by Jon Snow in London—live]

[Text] [Snow] Ambassador, why, given the appalling things that have happened between yours and Muslim communities over the last few months, should we have any faith that the new deal signed between Croats and Muslims can actually work on the ground?

[Sarcevic] Let me first actually say I would not consider myself a key figure in the deal. I was just one of those that helped, but the key figures were different. I would say that a key figure on the Croatian side was Minister Granic, and of course, President Tudjman. And it was a very crucial role of Ambassador Redman, and of course, the host State Department and Secretary Christopher on one side, Premier Silajdzic on the other side, and also the representatives of the Croatians from Bosnia-Herzegovina, Mr. Zubak and (?Atmatic).

[Snow] And you were doing your bit, ambassador?

[Sarcevic] I was also there, yes, and I was part of the process, but as I said, I have to clarify that.

[Snow] Now why should it work? Because, I mean, relations on the ground are still dreadful.

[Sarcevic] Yes, and this is nothing new in these kinds of cases. It was possible to stop fighting previously in other parts of the world, so why should we not stop fighting in Bosnia-Herzegovina among Croats and Muslims? And so, I am really not pessimistic; I really feel that there is such a chance and more than a chance. The atmosphere in which we negotiated was very friendly, was toward a peaceful settlement, and that made it possible.

[Snow] Well now, do you have an agreed position between you as to what should happen with the Bosnian Serbs?

[Sarcevic] You already heard the various statements made by Secretary Christopher and Premier Silajdzic that this agreement is open also to the Serbs. This agreement is making no actual changes on the framework of Bosnia-Herzegovina as a state. That means the Republic of Bosnia-Herzegovina stays as it was, as an internationally-recognized state, and this agreement of a federation of Croats and Muslims will mean only that they have found a way to administer and to manage their living together.

[Snow] But you see, the stumbling block with Lord Owen has always been the maps and has been what should happen on the ground. Does this agreement mean that you foresee a situation which maybe the Serbs would join in a process in which you all agreed to leave everything as it is for how long?

[Sarcevic] No, we will settle our...[pauses] as I understand, the Croats from Bosnia-Herzegovina and the Muslims from Bosnia-Herzegovina will actually settle issues among them which where, until now, crucial for a peaceful settlement and peaceful living together. So from that point view, I see no problems.

[Snow] That is where it gets so difficult for us to understand how you can progress from this point?

[Sarcevic] Well, you have to start from somewhere. You know, it has proved to be very difficult to bring all three parties to a kind of state of mind where they are accepting the idea that it is necessary to negotiate a peaceful settlement.

[Snow] Do Lord Owen and the maps come into play again?

[Sarcevic] No, because we will settle the various issues between Croats and Muslims. Now the question is, what will be the position of Serbs in regard to territories they occupied or where they clashed with the Muslim population or the Croatian population? And this will then be discussed when they come into play, but they have to be aware that Bosnia-Herzegovina as a state still exists and that Croats and Muslims will live together peacefully, and if they want to stop the aggression that will be something they will have to decide. They will have to understand the international community is not willing to accept this kind of behavior any longer.

[Snow] Finally, ambassador, in a word, when do you think you might see the Serbs at the table?

[Sarcevic] We were not talking about that. This was not the aim of this negotiation. Our aim was to find a way of settling various issues among Bosnian Croats and....

[Snow, interrupting] But that is the critical thing, is it not? Getting them now to respond to what you have done?

[Sarcevic] Yes and no, because this is something we have to settle among ourselves, and that is what we did. Now, whether they want to join, whether they want to negotiate a civil kind of living together, that is something they will have to decide, and they are invited to do so.

[Snow] Ambassador, thank you very much.

Granic Says Confederation 'Very Strong Union'

LD0203200694 Zagreb HTV Television in Serbo-Croatian 1830 GMT 2 Mar 94

[Statement by Croatian Foreign Minister Mate Granic in New York on 2 March after meeting UN Secretary General Butrus Butrus-Ghali; in English with superimposed Serbo-Croatian translation—recorded]

[Text] This is the first step. We will get on with our work. We will continue negotiations on a final agreement in Vienna and try to finish our work by 15 March. We have

signed a preliminary agreement on the Croat-Muslim federation in Bosnia-Herzegovina and on the confederation between Bosnia-Herzegovina and Croatia. It will be a very strong union. An agreement on the economy, currency, customs, and other issues has been concluded.

As for the UN Protected Areas [UNPA's] in Croatia, we are expecting a very active mandate on the part of the UN Protection Force in the forthcoming period, especially with regard to the Croatian borders, disarmament, the establishment of communications, and the peaceful reintegration of UNPAs in Croatia's legal system. We are ready for talks with local Serbs about local autonomy and we are ready for international supervision, by the United Nations, the Council of Europe, and European Union observers, over human rights, especially the rights of the minorities in Croatia.

As for the situation in Bosnia-Herzegovina, we largely support NATO's actions so far and we will continue with the talks. Croats and Muslims will continue negotiations with the Serbs in order that the Serbs can either join the federation or that some other agreement can be reached with them.

Ready To Continue Talks With Serbs

LD0203203094 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 2 Mar 94

[Excerpt] Following last night's signing of an agreement with Bosnian Prime Minister Silajdzic, Croatian Foreign Minister Dr. Mate Granic this afternoon had talks with UN officials—UN Secretary General Butrus-Ghali and Jean Bernard Merimee, French ambassador and president of the UN Security Council. Here is Jozo Curic with a report from New York:

[Curic] Croatia is ready to continue peaceful dialogue with the Serbs in UNPA's [UN Protected Areas] areas, Minister Granic told UN Secretary General Ghali and UN Security Council President Merimee in New York today. He mentioned the principle of local autonomy in those UNPA's where Serbs were in the majority before the war. Croatia wants the issue of the occupied areas to be resolved in line with UN Resolution 871. The UNPA's are an integral part of Croatia, Dr. Granic said.

According to some UN sources Croatia will ask for a more active UNPROFOR mandate, including the use of ultimatum. This would mean the implementation of the resolutions that provide for the control of borders, for disarmament, the control of roads, measures to restore confidence, and the economic recovery of these areas. Minister Granic informed his hosts about the Croat-Muslim outline agreement on a federation and the preliminary agreement on a loose confederation of Croatia and the Bosnia-Herzegovina federation. [passage omitted]

Krajina Minister Says Downed Aircraft Croatian

LD0303143594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1320 GMT 3 Mar 94

[Text] Knin, 3 March (TANJUG)—Slobodan Jarcevic, minister of foreign affairs of the republic of Serb Krajina, told TANJUG today he "believed that aircraft that were downed above Bosnia were sent by Croatian Government and the Croatian Army leadership."

Jarcevic said that Croats and Muslims were for months fighting in central Bosnia and that the Croatian forces continuously bombarded Muslim positions.

"Therefore, the aircraft were most probably Croatian, because the Serbs do not fight there," Jarcevic added stressing that the aircraft were downed above the area of the Croat-Muslim conflicts.

Gligorov Interviewed on Dispute, Country's Name

NC0203220694 Athens ET-1 Television Network in Greek 1900 GMT 2 Mar 94

[Passages within quotation marks are in Macedonian with Greek subtitles]

[Text] In a statement to ET-1, Kiro Gligorov, president of Skopje [The Former Yugoslav Republic of Macedonia—FYROM], appeared prepared to bring the name issue to the negotiating table with Greece. Responding to a question by our special correspondent Yeoryios Kharvalias, the Skopjean president explained his reservations about the name Slavomacedonia but left open the possibility of accepting a compound name.

[Begin recording] [Gligorov] "I said that we are prepared to discuss all unresolved issues and I believe that the best solution will emerge as a result of such a dialogue. Let us examine all the arguments. Concerning the name Slavomacedonia, I must stress that we are a multinational state. A name that would define us nationally must be accepted by all the residents of the country and not intensify problems between the minorities. However, I repeat once again that everything must be put on the negotiating table."

[Kharvalias] This important statement by Kiro Gligorov, which outlines his intention for a discussion of all the issues, including the name, was made to ET-1 and moves the stagnant waters after many months of Skopjean intransigence, which led the Greek Government to proceed with the blockade. Is this a tactical maneuver or a substantial turn in Gligorov's policy? Time will tell. However, it is interesting to hear what Mr. Gligorov said when we asked him what he expects from the meeting Greek Foreign Minister Karolos Papoulias will have with UN mediator Cyrus Vance in Geneva on 10 March.

[Gligorov] "According to my information, the Vance-Papoulias meeting in Geneva is to make preparations for a bilateral meeting. I am not in a position to say when this meeting will take place. Everything will depend on what happens in Geneva. However, within the framework of protecting peace, a friendly settlement of the differences between Greece and Skopje depends on goodwill, and the resumption of talks under the UN auspices appears as the only reasonable solution. I think that it is time for the measures to be lifted and for us to proceed with open discussions on all issues. On our part, we have nothing but goodwill, and I hope that with mutual understanding the problems can be solved."

[Kharvalias] The Skopjean president was for the first time relatively conciliatory when asked about the three Greek conditions for the resumption of the dialogue. He said: There is goodwill on our part to discuss all the pending issues including the three Greek prerequisites. He added: However, it is not right for these to be set as conditions. If we accept everything in advance what would be left to discuss? The Skopjean leader expressed his displeasure at the recent Greek measures. However, his statements were made in a relatively mild tone.

Mr. Gligorov said indicatively: I believe this is not a creative approach for two neighboring countries such as Greece and Skopje that are not facing major problems. Instead of understanding, we have an embargo on a bilateral basis without a Security Council decision, as was the case with Serbia.

Mr. Gligorov's position on relations with the neighboring countries was also important. He said: We must have friendly relations with states such as Albania, Bulgaria, and the Yugoslav Federation. As for Turkey, relations are good but nothing special, Mr. Gligorov added. The Skopjean president also commented on the aid granted to his country by neighboring Albania. He said: We were using and will continue to use Albanian routes to transport goods to our state, but I do not see the reason why preconditions should be set concerning the Albanian minority living in Skopje.

Finally, we asked the Skopjean president about his country's relations with the United States in the light of U.S. recognition, which has not been accompanied by the establishment of diplomatic relations.

[Kharvalias, in English] The United States recently recognized your country as FYROM but it has declined to establish diplomatic relations. Does Mr. President think that this is a matter of time?

[Gligorov] "Usually, when a country recognizes another country it intends to establish diplomatic relations. So, I believe that the opening of an American embassy in Skopje is merely a matter of time." [end recording]

Link Between Flight Ban, Embargo Suggested

AU0303131094 Paris AFP in English 1249 GMT 3 Mar 94

[Text] Skopje, March 3 (AFP)—The rump Yugoslavia has cut off its air space to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], the Macedonian transport ministry said Thursday. There was no immediate confirmation from Belgrade. The Macedonian press Thursday said unpaid debts by Macedonian airlines had risen to 2.5 million dollars.

The measure would mean another hardship for Macedonia, which is already suffering under a controversial trade embargo imposed last month by Greece in a dispute over Macedonia's name. The Greek embargo effectively cut off Macedonia's oil supplies.

Vanja Bitoljanu, director of Macedonia's biggest airline company Paler Makedonija, told AFP there was no way for airlines to pay their debts to Yugoslavia since there was no transport agreement between the two former members of the old Yugoslav federation.

Rump Yugoslavia, which now consists of Serbia and Montenegro, has not recognized Macdonian independence, which was declared in 1991.

Air traffic taking off from Macedonia has been rerouted over Bulgaria and Romania, which adds an average 30 minutes to flights and increases the cost by some 2,500 dollars each time, the press reports said.

Bitoljanu also said that for the last two years only Yugoslavia was receiving payments of taxes for the 300 to 400 yearly overflights airlines make over Yugoslavia and Macedonia en route to Greece.

Analysts cited Thursday by the daily NOVA MAKEDONIJA suggested there was a link between the reported ban on Macedonian flights over Yugoslavia and the trade embargo imposed by Greece, a traditional ally of Serbia.

Greece has challenged Macedonia's use of its name, the same as a Greek province. It accuses Skopje of usurping part of Greek heritage and harboring expanionist aims over Greek territory. Its trade embargo cut off Macedonian access to the Greek port of Salonika, though which most of Macedonia's essential supplies including oil arrive. A prolonged blockade could strangle Macedonia's economy.

NOVA MAKEDONIJA also said the European Union had agreed to a 15 million-dollar credit for Macedonia to finance the development of its air transport system. Britain meanwhile has granted 50,000 pounds (75,000 dollars) to modernize Skopje's airport.

NATO Offers Partnership for Peace Membership

AU0203191794 Ljubljana Radio Slovenia Network in Slovene 1800 GMT 2 Mar 94

[Excerpts] Following Slovenia's diplomatic actions over the past few weeks, our country was officially offered membership in the Partnership for Peace program in Brussels. Slovenia will join this program as the first country that is not a member of the NATO Cooperation Council. Edo Zitnik has the details:

[Begin Zitnik recording] The NATO pact has now also officially offered cooperation in the Partnership for Peace to Slovenia as the 11th East European country. [passage omitted]

Because each country signs the Partnership for Peace with NATO individually, its concrete contents will depend greatly on the Slovene offers for cooperation. We must keep in mind that Slovenia is not among the first in the Partnership and that other countries, because of their greater strategic importance, have already taken the best that NATO has offered. [passage omitted] [end recording]

Foreign Ministry Assesses Offer

AU0203205394 Ljubljana Radio Slovenia Network in Slovene 1800 GMT 2 Mar 94

[Text] Our Foreign Ministry accompanied a decision about Slovenia's participation in the Partnership for Peace with a special statement:

In the introduction, the statement mentions a letter that Foreign Minister Lojze Peterle sent to the foreign ministers of its member-states prior to the 5 February NATO summit, a visit by the U.S. President's special envoy Madeleine Albright to Slovenia, and a letter that our Prime Minister Janez Drnovsek sent to [NATO] prime ministers together with a formal application for the participation of our country in the Partnership for Peace.

The Foreign Ministry emphasizes that, by being admitted into the Partnership for Peace, Slovenia has accomplished an important step in drawing closer to the Western European integrations, also in the realm of security. Today's decision of the NATO Council in Brussels represents a materialization of the efforts of our state organs in the implementation of the Resolution on Guidelines of the National Security Concept, which was passed by the Slovene Parliament in February.

We are supposed to sign a cooperation document in the coming days. After the talks with the NATO political and military experts, our country will get another opportunity to appoint its military and political representatives to NATO Headquarters in Brussels, is written in a statement by the Foreign Ministry.

Protest Sent to Croatia on Border Construction

LD0203182494 Belgrade TANJUG in English 1703 GMT 2 Mar 94

[Text] Ljubljana, Mar 2 (TANJUG)—Slovenia's Foreign Ministry on Wednesday sent a protest note to Croatia because of the resumption of construction works on Croatia's border crossing in the vicinity of the Slovenian resort of Portoroz.

Slovenian authorities maintain that Croatia's customs authorities are constructing facilities on Slovenia's territory and demand that the works be discontinued until the final demarcation in area.

The construction works were discontinued in May last year after strong protests by Slovenia. Croatia, however, decided to resume construction works which is expected to cause further straining of Slovenian-Croatian relations which have already deteriorated as a result of disputes over land and maritime borders and electric power deliveries from the Krsko nuclear power plant.

Inhabitants of the Kantrida settlement in the Croatian port of Rijeka in [word indistinct] particular way expressed dissatisfaction with Slovenia's policy towards Croatia and the deteriorating relations between Ljubljana and Zagreb.

On a number of ocassions they threw stones at trains on the Rijeka-Ljubljana line, the Rijeka police said.

In the exchange of diplomatic letter between Croatia and Slovenia concerning the incident, the Croatian side promised, as it was underscored, that it will "prevent vandal actions of its citizens."